Financial Times, October 26, 1971

# FINANCIAL TIMES

No. 25,588 Tuesday October 26 1971 ** 6p

## News Summary

### GENERAL

### Ulster internee revolt quelled

internees at Long Kesh, m, rinted last night and four warders as hostages troops made what was bed as "a concerted t," ending the tronble 1½ hours."

gas was used. An Army man said: "All is quiet though it is a little tense." ters hurned e recreation bout 260 men are detained ng Kesh.

rroist attacka continued yes- y after a week-end in which people wre killed, Lord el. Minister of State for De- told the Commons that had been an Army inquiry Saturday'a gun bsttle in two aisters were killed in st.

th notices in an Irish news- yesterday of the shot m, Mrs. Maura Meehan, 30, Dorothy Maguire, 19, named Meehan as an IRA staff r. William Davidson, 31. Mrs. Margaret O'Riordan charged in Belfast with g firearms at the scene of hooting. Mrs. O'Riordan to have "severe ahock" llowed bail.

Soulhampton two men were ed in connection with last week's QE2 arms find. ublio David O'Conoell and McGuire of the IRA Pro- als, sought by Dutch pollce the Scbiphol Airport arms re. were said to bave landed Page 8, Page 31

### udents elect S Communist

ow University students yes- y elected Mr. James Reid, r of the Upper Clyde Ship- lers shop stewarde and a monist member of Clyde- Town Council, as their or. He had a majority of ly 600 over Mr. Edward or, Tory MP for Cathcart. Margaret Herbison, Labour and ex-Social Security Minis- came third. Page 8

### alin named in crets charges

e men accused of Official eis Act offences were her cbarged and remanded at Street yesterday with con- og with Oleg Lyalin, the et defector, to get informa- prejudical to the State. They Greek Cypriot tailors lakos Costi and Constan- s Martianou, both of Flns- Park; and Malayslan civil ant Sirioj Abdoolcader, of klewood. Two other Soviet ials, Vladislav and Alexei n were named. Page 13

### held in Russia

sian police arrested about lews from five cities, mostly the Baltic States, wbo tried erday to deliver protest ers about the han on emigra- to Israel to the Communist ty headquarters in Moscow.

### udent arrests

r atudents were yesterday wn to have heen detained in week-end's dawn ralds on r 100 homes by South African ice. Gen. Joubert, Police nmissioner, said soma people ld appear in court.

### eople and places

Queen and Prince Phillp home from their State visit Turkey yesterday. In a mes- e to President Sunay the een said they "enjoyed every ute."

Siffert, killed in a 160-mph sh at Brands Hatch on Sun- died from asphyxia, said a t-mortem report.

usewife Mrs. Lena Till, 43, d when an explosion shattered house at Acton.

menco dancer and singer Lola res, a supporter of Gen. nco, said she was banned m a 90th birthday ceremony Picasso in Nice. Reasons were d to political. Page 3

sident Nixon's popularity bas en, says the Gallup poll. After Oct. 7 "Pbase Two" economic gramme the poll abowed 54 cent. thought be was "handl- his job well." August figure, per cent. Page 5

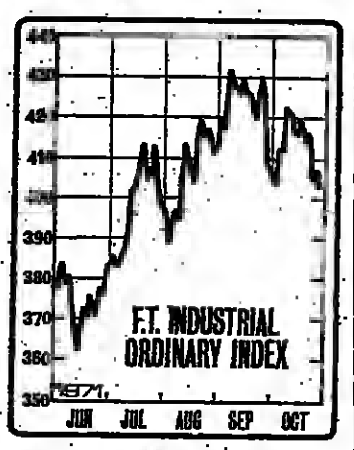
n the Gallnlet, owned hy Paul lloo, won the £41,666 Washing- DC International borse race.

### BUSINESS

### Gilts up: fall in equities

● GILTS rallied on the Canadian bank rate cut though trading was quiet. Longs' rises ranged to ¼ but a late increase in the Treasury 8 pc 2002-06 tap price had little ffect.

● EQUITIES met with selling. The 30-share index ended 4.8



lower at 402.6 nr 6½ per cent. below the 430.8 peak nf September 7.

● GOLD SHARES' index fell 0.5 to equal its 44.0 all-time low.

● THE £ touched $2.4938 and ended with a net 3½ pnints gain at $2.4929½, its highest closing rate of the finat period.

● GOLD stayed at $42.50.

● WALL STREET'S index ended a point above the day's lowest at 848.50, nr 3.87 down.

● MACHINE TOOL ORDERS from U.K. buyers fell In July to a net £3.7m., lowest for many years and comparing with some £11m. a year before. The end-July order hook, at £117.8m., was the smallest since 1967.
Back Page

● EUROPEAN AIRBUS project, already the subject of talk in Bonn that West Germany might pull out, has met with doubts in France. The CGT union has appealed to the Paria Covernment to let Air France have funds to buy the aircraft and safeguard lts future.
Back Page

### Hay's Wharf £300m. plan

● PROPRIETORS OF HAY'S Wharf has plans under way to redevelop a 38.5-acre site on London'a South Bank costing £300m. Some 2m. square feet of net lettable office space, with two major hotels and 626 flats are included in the plan which could give work for 20,000.
Page 31

● UNION PROPOSALS to modify the effects of the BSA crisis are to be put to-day hy Sir John Eden, Trade and Industry Minister, to Lord Shawcross, BSA's chairman designate. Lord Shawcross has warned the 4,700 Birmingham employees that voluntary liquidation will he risked unless they co-operate In redundancles affecting 3,000 to enable the motor cycle assemhly to he moved to Meriden.
Page 25

### Delta Metal bids £17m.

● DELTA METAL, holding a 0.6 per cent. stake In Midland Electrical Manufacturing, has stated terms, in shares and convertible stock, for the company worth nearly £17m. Delta's approach to get the hid agreed by MEM did not succeed.
Page 27; Lex

### COMPANIES

● PONTIN'S is to pay a 2 per cent. final (nil) raising tbe year's total to 14 (12). Pre-tax profit (to end-April) is £2.28m. (£2.05m.); despite the post strike, figures for the holiday season now ended indicate higher profit; current-year interim is to be 7 per cent. (6).
Page 28; Lex

● DAIMLER-BENZ, leading West German producer of commercial vehicles, is putting 6,000 employees on short time at least until the year-end, at Gaggenau, near Karlsruhe.
Page 28

# Lord Robens joins the Board of Trust Houses Forte

BY SANDY McLACHLAN

**Allied Breweries has had its suggestion of friendly take-over talks with Trust Houses Forte turned down. A letter from Lord Crowther to Allied's chairman, Mr. Joe Thorley, which Mr. Thorley received yesterday morning, said that there was nothing for THF to consider until Allied had an offer on the table.**

A spokesman for N. M. Rothschild, financial advisers to Allied, would not comment on Lord Crowther's letter yesterday. But it is clear that Allied will have to consider carefully whether to go ahead with an unwelcome hid. It is known thst Lord Crowther received a further letter from Mr. Thorley yesterday afternoon.

THF announced yesterday that Lord Robens has been appointed to the Board. The move, which brings the number of directors up to 20, is widely aeen as an attempt to find a conciliator to bridge the gap between the two factions on the THF Board led by Lord Crowther and Sir Charles Forte. There are other possible interpretations, however, and this view is helieved to he an over-simplification.

Lord Robens, the ex-Coal Board chief who is now chairman of Vickers and Johnson Matthey, is friendly with both Lord Crowther and Sir Charles. The Council of Trustees at THF, which was consulted over the week-end, bas welcomed his appointment. Last night Lord Robens and Sir Charles Forte attended a National Sporting Club dinner at the Cafe Royal.

Asked ahont his role at THF, Lord Robens commented last night; "It will be to ensure that my contribntion will be to the henefit of the organisation without being involved in taking sides one way or the other." He added that be wonld prohably play "a reasonably good role" in bealing the breach hetween the two factions of the THF Board.

Lord Robens would not comment about the timing of the approach to him. He pointed out that when he announced his decleion to leave the Coal Board it bad been made clear that his services would he availahle and that THF was one of a number of companles advised of this fact.

Sir Charles Forte declined to comment either on the appointment of Lord Robens or on the

Lord Robens in London last night

Allied Breweries situation. "I cannot say anything," be said. "I have promised my Board that I would not comment."

It is clear that while deeply divided, the THF Board will fight any Allied bid unless it is pitched at a level which they would bave to accept in shareholders' interests. It is clear also that the Forte faction on the Board is more firmly opposed to a merger with Allied Breweries than the faction led by Lord Crowther and the ex-managing director, Mr. Michael Pickard.

The view taken hy the THF Board, and hy its two merchant hank advisers, Schroder Wagg and S. G. Warhurg, is that the bid approech would never heve materialised had it not been for the much publicised boardroom split.

THF and its advisers are confident thet they can ward off an unwanted Allied bid if no other conteoders throw their hat into the ring. However, maintaining THF's independence might he a more difficult proposition if a third party joined the auction, particularly one with a bigh market rating. Certainly Warhurgs is fielding a high powered team of Mr. Henry Grunfeld, chairman of the hank and of its parent, Mercury Securities, end Mr. Frank Smith who bas a formidable record in defending take-over bids. The Schroders' line-up is not yet finally decided.

In spita of the internal differeoces at THF, the general feeling is that there is no great industrial logic in favour of a merger with Allied. At the same time there is a conviction thst, personalities apart, the thinking behind the original merger between Trust Houses and Forte's Holdings still holds good.

The first advice from the two banks to the THF Board is that they should pull together while there is a threat of a hid, in spite of the split. The banks take the view that the split represents a gap wbicb any bidder conld exploit, and that the wider the gap, the more difficult is the defensive role.

The stock market yesterday was uncertain bow to treat the appointment of Lord Robens. Dealers plumped for caution, and THF shares fell 10p to 154p, wiping £8m. off the market capitalisation.

# Export recovery by U.K. engineers

By Harold Bolter, Industrial Correspondent

NEW export ordere placed with the U.K.'a engineering industries rose by 41 per cent. in the three months to the end of August, compared with the March-May period, according tn statistics released by the Government yesterday.

Although the Department of Trade and Industry figures are provisional, there is every indication of a strong nnderlying trend upwards in overseas business, following the low returns recorded earlier in the year.

This recovery first hegan to show itself in June. The figures for that month, now finalised, indicate a 25 per cent. rise on the engineering export order-book level for May, and aince then there appear to heve been further sdvances.

Unfortunately, this pattern bas not heen repeated in the U.K market. New orders for British huyers fell by a marginal 1 per cent. in the three months under review.

## New orders

One of the effects of this fall was to prodnce an improvement of only 9 per cent. In total net new orders, when balanced egainst the high export returns.

The level of net new orders for the U.K. placed with the engineering industries is still running below that for 1969 and 1970.

It is possible, however, that the measures Introduced by the Chancellor in July to reinforce a reflationary Budget will begin to work through into improvements in the industries' bome order hook in later months this year and early in 1972.

The resurgence which bas taken place in business in overseas markets is reflected in a 5 per cent. increase In export orders beld on band by the engineering industries at the end of August.

This rise, counter-balanced by the position in U.K. markets, where there was no improvement, produced an over-all 2 per cent. increase in orders on hand.

There was a small rise of 2 per cent. in export deliveries, but this was again offset, hy a 2 per cent. fall in bome market dellveries resulting in a general 1 per cent. fall.

In all, the level of total deliveries in the period June-August remained about the same as the 1970 average.

## ON OTHER PAGES

DE-REGISTRATION ROW

# TUC to call 18 unions to account

BY JOHN ELLIOTT, LABOUR EDITOR

FIRST steps towards poasible expulsion from the TUC of unions which remain registered under the Industrial Relations Act were taken yesterday at an angry meeting of the TUC geoeral purposes committee. The TUC leaders decided to call In 18 unions which have defied the TUC's oon-registration policy to account for their actiona.

The meeting was one of the most acrimonious held recently and was started by Mr. Hugh Scanlon, of the engineers, proposing en extreme line that all the 66 unions which bave not yet taken non-registration action should he immedietely suspended. But he waa ruled out of order nnder the TUC's constitution, which provldes for unions to be called first before the TUC General Council in advance of any disciplinary ection.

## Strong line

The 18 are to he called In during the next few weeks to account for themeelves and explain why they should not be suspended—a strong line descrihed by one union leader as "heing guilty till you're proved Innocent," which was insisted on by Mr. Scanlon—if this line of action is approved by tomorrow's TUC Generel Council.

They include five significant unions with individnal memberships of from 35,000 to 110,000 and total In all some 390,000 members. First there is the National Union of Seaman, which claims lt needs registratioo in order to use the Act to gain an "approved" closed shop, after the Act outlaws existing closed shops early next year, in order to remain in business. This, judging hy the mood at the TUC yesterday, is regarded as insufficient reason — especially since Equity, with a similar prohlem, has de-registered. This puts the seemen in line for possible suspension by the General Council.

Next there is the National Graphical Association, which appears to have convinced the TUC that, while it is totally opposed to the Act and, unlike the seamen, would not use the Act's provisions, must remain registered because of Interlinked legal and financial problems.

Mr. Vic Feather, TUC general secretary, said yesterday that "if there was some unique nroblem we could make a unique decision," appearing to imply that the TUC's "instruction" not to he registered, which was agreed at the recent Blackpool annual Congress, could be waived for the NGA.

The other three sizeable unions are the National Union of Bank Employees, the Confederation of Health Service Employees aod the Civil Service Union, all of which seem to have reasons at least no hetter than the seamen's.

"This is not s Kangaroo Court, nor like the National Industrial Relations Court—it is us talking to our colleagues on the basis nf our rules," said Mr. Feather.

But, although the TUC leaders sterted the disciplinary procedure rolling yesterday, suspension is some way off. The Congress policy was qualified by the phrase "if all unions act collectively," and since lt is now obvious that they are oot, moves might he started to try to maintain the TUC intact and accept that total non-registration is impossihle.

But this would be the start of the slippery slope, with other unions claiming that they must he registered—as many want to be—if more than one or two exceptions are to he made.

Judging by the TUC's figuree presented to yesterday'e meeting, the union leaders should bave been in a happy frame of mind, because already 71 unions representing nearly half the TUC's 10m. membership bad taken non-registration action in line with TUC policy. But these figures do not Include key names, among them the country's largest union, the Transport Workers, wblcb is inalsting on cbanging its rules to allow de-registration.

Others are delaying decisions to see bow the policy works out. There are 24 of these with some 2.5m. members—including the General and Municipal Workers, which has a policymaking conference next week and is expected to defer a decision tilll next year. They also inclnde the National and Local Government Officers Associetion and the National Union of Teachers, which bave never been registered but now want to join the newt Act's register although they are putting off the decision, hoping the dust will settle soon.

## No brotherhood

These 24 unions are to be urged by the TUC to make their minds up quickly. Finally there are nine unions with 2.1m. members, including the TGWU and the Union of Shop, Distrihutive and Allied Workers, which are taking steps such as organising rules revision conferences to allow them to de-register—but may no be able to do so for many months.

All the union leaders' traditional lack of brotherhood came ont yesterday. Sir Sidney Greene, of the National Union of Railwaymen, lannched a thinly-veiled attack on Mr. Jack

Continued on Back Page

# Pompidou in no hurry for summit with Brandt

BY ROBERT MAUTHNER PARIS, Oct. 25.

PRESIDENT POMPIDOU appears to be in no particular hurry to reply to the letter which Herr Willy Brandt, the West German Chancellor, sent him last week proposing a Franco-German summit meeting.

The French President is understood to have sent what is descrihed here as a "provisional reply," which expresses polite interest in Herr Brandt's suggestion without, however, making clear whether M. Pompidou will take up the proposal. A more detailed reply will be aent to Bonn at the end of this week after Mr. Leonid Brezhnev, the Soviet Communist Party First Secretary, who arrived in Paris to-day on an official visit, has returned home.

While no attempt is heing made in Paris to play down the deterioration In Franco-German relations which has taken place as a result of disagreements over international monetary policy, there is no tendency either to blow up the whole affair into a crisis. French officialdom is remaining very cool and there seems to he a widespread helief that time is on France's slde.

The dual exchange market, set up by France after President Nixon's Angust measures, has been working better than anyone at first thought possible and the current effective dollar devaluation rate on the free market is only of the order of 2.4 per cent. In French eyes, this merely confirms the official position that there is no reason for the Franc to be revalued, even as part of an international reallgnment of exchange rates.

It is clear, too, that the French take a certain satisfaction in aeeing the Germans "sue for peace" after what they consider to be Bonn's high-handed methods of dealing with the international currency crisis in the first place.

The feeling that, now that the Germans have realised the importance of co-ordinating their monetary policies with those of their European partners, they should be *left to sweat it out a hit*, is certainly one of the reasons hehind the lack of urgency which President Pompidou is showing.

In the longer run, however, the French are as interested in a common European position as the Germans are, and there is no reason to suppose that the quarrel with Bonn will he allowed to fester iodefinitely. M. Pompidou is, in any case, due to meet Herr Brandt in January next year as part of the regular meetings of Heads of Government of the two countries, provided for hy the Franco-German Tresty and may well, in the end, agree to bring the meeting forward by a few weeks.

Prnf. Schiller to-day sees M. Giscard d'Estaing, Page 7
Negative growth rate predicted for Germany Page 7

# Six could cost £500m.—Rippon

BY JOHN BOURNE, LOBBY EDITOR

THE Labour Opposition and Tory anti-Marketeers won a tactical point yesterday when Mr. Geoffrey Rippon, the Government's chief negotiator, admitted In the Commons that hia own estimate of the total coet of entry into the Common Market to Britain'e balance of payments could, In extreme circumstances, be as high as £500m. a year. But his view is that this might be more than offset hy the "dynamic" effects of entry on British industry and the economic growth rate.

The £500m. estimate was not contained In the Government's White Paper on the entry terms, which argued that the credit and debit sides of the balance of payments calculation depended on so many imponderables that lt would be misleading even to try to quantify them.

But under pressure from Mr. Denis Healey and then Mr. Harold Wilson, Mr. Rippon agreed that be had given estimates to s meeting of lobby journalists, althongh be pointed out that these figures had covered a wide range "from minus £500m. to plus £1,700m."

Speculation in the Labour Party on whether there will be any resignations because of the three-line wbip on Thursday is now chiefly concentrated on Mr. Douglas Houghton, one of the most dedicated pro-Marketeers in the "shadow" Cabinet. He is in a special position because he is chairman of the Parliamentary Party, which last week voted not only against the entry terms but against the party allowing a free vote.

Mr. Harold Lever, who had originally wented to resign and speak in the Commons debate before voting with the others in the Government lobby, has now decided that this might he misinterpreted in the party as a defiant gesture. He will therefore not resign.

Mrs. Shirley Williama is known to have shared Mr. Lever's original view about resignation when the gronp discussed its position last Thursday. Some pro-marketeers claim that Mr. George Thomson had agreed with them. But, apart from the question of Mr. Houghton, the situation now seems to have stabilised.

Labour pressures on MPs on the frioges of the pro-Market camp continue to build up and the number of MPs who say they will abstain in Thursday's division is growing. Mr. Ted Short, a member of the "shadow" Cabinet and a former chief whip, announced last night that he had decided to abstain because his party had decided overwhelmingly against the present entry terms and had issued a three-line whip. He said he was invoking the party's standing order allowing abstentions on a matter of conscience.

Another Labour Europesn, Mr. Fred Mulley, a "shadow" spokesman on transport, is also believed to have decided to abstain. But the Labour whips estimate that at least 40 pro-Market MPs will vote with the Government, which together with abstainers, conld give the Government a majority of about 70.

Parliament, Page 8

## FLOATING £

| | £= Oct. 25 | % change since Aug. 13 | % change on par value |
|---|---|---|---|
| U.S. $ | 2.49⁵⁄₁₆ | +3.0 | +3.9 |
| Can. $ | 2.49¹¹⁄₁₆ | +2.0 | −3.8 |
| Dutch fl | 0.36½ | −2.1 | −3.7 |
| †Belg. frs. | 116.50 | −3.2 | −2.9 |
| D.-Mark | 8.30½ | +1.3 | −5.4 |
| It. lire | 1,526½ | +1.7 | +1.8 |
| ‡French frs. | 13.76 | +3.2 | +3.2 |
| Jap. yen | 821 | −5.2 | −5.2 |
| Swiss frs. | 9.93½ | +1.2 | +1.4 |

Reuter revaluation index of the ten key non-dollar currencies against the U.S. $ is 7.4 per cent.
† Convertible. ‡ Commercial.

### New York close

| — | Oct. 22 | Previous |
|---|---|---|
| New York (Spot) | $2.4925-4927 | $2.4824-4927 |
| Do. 1 month | 0.09-0.12prem | Par-0.10 prem |
| Do. 3 months | 0.24-0.27prem | 0.30-0.35prem |
| Do. 12 months | 0.40-0.30 dis | 0.40-0.20 dis |

## CHIEF PRICE CHANGES

(Prices in pence unless otherwise stated)

RISES

| | | |
|---|---|---|
| [illegible] (Edgar) | 286 | + 10 |
| [illegible] (J.) | 195 | + 7 |
| [illegible] Line | 171 | + 8 |
| [illegible] Wilson | 185 | + 6 |
| [illegible] land | 31 | + 3½ |
| [illegible] Time Products | 140 | + 17 |
| Ladbroke | 370 | + 16 |
| London & Midland | 108 | + 11 |
| Lotus Car | 91 | + 7 |
| Magnet Joinery | 402 | + 12 |
| Nathan (B. & I.) | 73 | + 6 |
| Paul (W. H.) | 60 | + 11 |
| Tokengata Inv. | 254 | + 6 |
| Jokai | 53 | + 3 |
| Pancontinental | 44 | + 4 |

FALLS

| | | |
|---|---|---|
| Amal. Inv. | 357 | − 11 |
| Arbuthnot Latham | 255 | − 10 |
| BICC | 165 | − 9 |
| Crowther (J.) | 56 | − 7 |
| Elliott (B.) | 27 | − 6 |
| F.C. Finance | 175 | − 15 |
| GEC | 145 | − 4 |
| Johnson Matthey | 287 | − 10 |
| Lankro Chemicals | 172 | − 22 |
| Legal & General | 298 | − 8 |
| Midland Bank | 470 | − 12 |
| Phoenix Assurance | 250 | − 14 |
| Pickering (Edgar) | 131 | − 17 |
| Regional Property | 305 | − 15 |
| Staveley Inds. | 62½ | − 6 |
| Trust Houses Forte | 154 | − 10 |
| Trutex | 170 | − 13 |
| Brit. Petrolm. (New) 50pm | | − 18 |
| Anglo American | 220 | − 10 |
| Northgate Exploratn. | 290 | − 20 |
| Potgietersrust Plats. | 75 | − 6 |
| Selection Trust | 475 | − 45 |
| Trans. Cons. Lands | 210 | − 15 |
| West Wit. | 515 | − 20 |
| Zam.Ang.Am. | 186 | − 12 |

## U.K. DAILY STOCK INDICES

FINANCIAL TIMES

| | Oct. 25 | Oct. 22 | Yr. ago |
|---|---|---|---|
| Govt. Secs. | 79.27 | 79.06 | 72.15 |
| Fixed Interest | 79.01 | 78.99 | 73.52 |
| Industrial Ord. | 402.6 | 407.4 | 343.6 |
| Gold Mines | 44.0 | 44.5 | 55.4 |
| Ord. div. yield | 3.90 | 3.85 | 4.54 |
| Earnings yield | 6.09 | 6.02 | 6.44 |
| P/E ratio | 16.42 | 16.61 | 15.53 |
| Dealings marked | 12,695 | 12,209 | 10,352 |

For latest Share Index phone (01)-246 8026

F.T.-ACTUARIES

| | Oct. 25 | Oct. 22 | Yr. ago |
|---|---|---|---|
| Industrial Group | 166.31 | 167.57 | — |
| 500 Share | 179.38 | 180.97 | 146.73 |
| Div. yield pc | 3.70 | 3.66 | 4.42 |
| P/E ratio | 17.62 | 17.82 | 14.94 |
| All Share | 176.13 | 177.77 | 140.56 |
| Consols yield pc | 8.59 | 8.58 | 9.26 |

ANNUAL STATEMENTS

| | |
|---|---|
| Parker Timber Group | 28 |
| Staplegreen Insurance Holdings | 6 |

INTERIM STATEMENT

| | |
|---|---|
| Jessel Properties | 30 |

# Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4

# Joining the EEC • Ireland • Cash flow

## Joining the EEC

Sir,—My friend, James Towler (October 21) has been consistent in his opposition to an application being submitted to join the EEC, but according to my own experience he speaks only for a minority of industrialists in Yorkshire who would like us to stay out.

I was Chairman of the East and West Ridings Council of the CBI, which covers Yorkshire and Humberside, during the time when CBI members were making up their minds about entry into Europe, and I must point out that at the CBI East and West Ridings Region and Northern Region Composite Meeting which was held at the Selby Fork Hotel on March 19, 1970, and was addressed by Derek Ezra, there was a majority in support.

As the months went by I watched the majority on the CBI Regional Council move steadily towards the concept of us joining the Common Market and at the end only one member out of a total of thirty-five from Leeds, Bradford, Huddersfield, Sheffield, Hull and other Yorkshire towns and cities was against. All these members had been asked to seek the opinions of the other industrialists they knew and I find it remarkable that opinion should move so considerably over to the concept, which is, in my opinion, the only hope for British industry in a trading world which becomes tougher every day.

### No objections

My colleague, Geoffrey Samuelson, who is President of the Hull Chamber of Commerce and Shipping, tells me that the ABCC has on several occasions suggested that individual Chambers should consult their members.

The first minuted discussion by the Hull Chamber was in 1966 when the recorded decision was in favour of entry with no objections. This decision was confirmed by Council at mid-Summer this year, subject to consideration of the final terms.

The ABCC statement "The United Kingdom and the European Communities" was circulated in draft form before the last Council Meeting on October 4 and was approved, nem. con., apart from a verbal amendment which was suggested and was accepted by the ABCC. In this statement the ABCC say: "After careful consideration and extensive consultation among their members the British Chambers of Commerce are of the opinion that the terms negotiated are acceptable."

It is true that many anti-Marketeers do not believe we can survive but I believe that if they have their way they would condemn us to become a heavily protected minority going steadily down the hill year by year. I don't feel like that. There is a lot of skill and energy to be released from U.K. management and shop-floor workers yet. And if we join and it is released we can expect more industrial production, higher incomes which will compensate many times over for increases in price, less unemployment, better facilities for workers who need to be re-trained, much more comprehensive Social Security, better family allowances, more holidays with pay, and larger old age pensions. What more do we want?

S. B. Hainsworth,
*Marfleet, Hull.*

## Free trade as alternative

Sir,—It is unfortunate that Government has not made more information available regarding practical alternatives to joining the Common Market, in particular the Free Trade alternative has had inadequate publicity.

Sir Winston Churchill said that the British had grown great on cheap and abundant food and had it not been for our Free Trade policies in former times our nation would not have risen to the level of a great power. Of course Sir Winston was right and freedom to buy from the cheapest market makes wages more valuable and halts inflation. If the British are allowed to import food and raw materials freely from any, and all, world markets we can manufacture and export competitively. Countries we buy from will have British £'s to buy our manufactured products, trade will prosper and fuller employment follow.

The Common Market outlook has become too narrow and its dominant characteristic seems to be the common trade barrier restricting cheap imports from the rest of the world, also the internal "managed market" with high food prices. The alternative of Free Trade would increase real prosperity and put cheaper food in the housewife's basket.

We should remember Sir Winston's words, "Each time we must choose between Europe and the Open Seas, we shall always choose the Open Seas." Surely we should consider looking beyond the restricted Common Market to the Open Seas and trade freely with all nations of goodwill?

Kenneth Bradford,
*Yew Tree Cottage,*
*Farnham, Dorset.*

## The Werner Report

Sir,—The Director of Publications, HMSO, informs us (Oct. 22) that the SO has published an English version of the Treaty of Rome, which indeed they should, but when are they going to publish the Werner Report in English?

The recommendations of this report could prove more far-reaching and dangerous than the Treaty itself. It suggests a common currency, centralised creation of liquidity, Community direction of national budgets and other things including a central decision-taking centre for economic policy. No doubt all these things are suggested with the best of intentions, but do we know enough about them and do we want them?

Mr. Heath has said in the introduction to the booklet put out through the Post Office that he is "Certain that there should be, throughout the nation, the widest possible discussion and understanding of what is involved." How on earth can this happen unless this report is put out by the SO and very widely distributed and discussed?

If the report is eventually adopted and introduced it could prove to be a fundamental and far-reaching system of control which would effectively remove considerable areas of national sovereignty and transfer the reality of power to Brussels or whatever centre is decided upon. Surely this should be freely and cheaply available through official sources as soon as possible.

J. M. Hall,
*41, Hongleton Road, Hove.*

## Unacceptable terms

Sir, — Your correspondence columns have made a most valuable contribution to the Great Debate over the last ten years. Arguments have been put forward freely by both sides, and have been dealt with rationally by the opposite side thereby no doubt assisting people who were not committed to either side, to form their own opinion.

In the circumstances it was surprising that you gave pride of place to a letter from Mr. R. M. P. Green (October 21) which was devoid of all rational argument but merely said that saying NO was like calling off one's wedding the day before. The few facts on which Mr. Green relied were either mis-stated or deliberately distorted. For example the 1967 application was never turned down, and the present application is thus the second, not the third. And who says the present terms are acceptable? They may be acceptable to Mr. Green, they are certainly not to the majority of the people, nor is there any good reason why they should be seeing they involve a balance of payments burden of £500m. per annum. Mr. Jenkins, Mr. Stewart and Lord George-Brown would of course have accepted any terms just as the present Government, but the majority of the Labour Government undoubtedly would have rejected them.

R. Kitzinger.
*31, Oakwood Court, W.14.*

## Wars, civil or otherwise

Sir,—Mr. James Prior is reported to have said in the Common Market debate: "To lessen the tension, to remove the barriers that have divided Europe over the centuries, to bring peace instead of war is not an ignoble aim."

There have been many "civil" wars in the past; "civil" wars are still with us. By what magical formula is Mr. Prior able to guarantee there will never be "civil" wars in the future?

W. A. Whithear.
*84, Larchwood Drive,*
*Englefield Green, Egham, Surrey.*

## Tax system and growth

Sir,—In his letter (October 21) Mr. Andrew G. Elliott contends that Britain's low rate of growth is due to "the extremely Left-wing tax system," and that this can be rectified if "higher income groups are far less taxed."

We must be grateful that such muddle-headed panaceas only rarely become national policy. First, there is ample evidence to show that the British tax system is regressive and, therefore, not "Left-wing." Second, Mr. Elliott fails to state any casual relationship between lower taxation of high-income groups and a high rate of growth. Presumably his theory would run like this: top management would be willing to work harder, if there was lower tax erosion of its income; this would increase output and hence GNP. Are we to infer from this that at the moment higher-income groups are not pulling their productive weight?

A further objection is that the theory is open to a *reductio ad absurdum;* imagine that higher-income groups are subject to less tax, *ex hypothesi* there is a growth in productivity but it is a once and for all growth. What we are really seeking is a sustained growth rate over a number of years. In order to achieve this we should need to reduce the tax burden on the higher income groups progressively, year by year, and we should expect to see a corresponding increase in productivity entirely unrelated to factors other than the activities of the higher income groups, that is, they would become more and more assiduous or increase their intellectual capacity as a direct result of, and in proportion to, the increased income through lower tax.

Economic growth is dependent upon many variables such as the rate of investment and the sectoral distribution of labour; however, I would suggest that differential tax rates among groups is not one of them.

John Hemingway.
*Heron Rise,*
*Lower Farm Road,*
*Effingham, Surrey.*

## A united Ireland

Sir,—The Irish of the South make much play with their desire for a united Ireland but so far I have seen little suggestion of any terms on which the North might be coaxed into union—assuming of course that they refuse to be bombed in. As the South will have to woo the North may I suggest they might offer the following as a preliminary basis on which the North might at least listen to their fellow countrymen South of the border?

1—Belfast to be the capital of a United Ireland, not Dublin.

2—English to be the only official language throughout a United Ireland and the abandonment of the use of Irish, which is a foreign tongue to a large number of Irishmen anyhow, both North and South.

3—Complete disestablishment of the Catholic Church as a privileged body and a secular education for all.

4—The Union Jack to be quartered on the Irish flag showing that one of the four provinces has at least a sentimental attachment for the U.K. and was once part of it.

5—A defence treaty with the U.K. granting port and aerodrome facilities in the case of hostilities.

W. J. Wilson.
*10, Old Jewry, E.C.2.*

## Continental measures

Sir,—One of your correspondents (Oct. 19) complained about the adoption of Continental measures and other practices, and tried to make some anti-Common Market capital out of this fact.

Surely, we have switched to decimal currency, centigrade, the 24 hour clock etc. not only because all our neighbours and fellow-Europeans are using these, but because they happen to be more convenient, more logical and more efficient.

British scientists, for example, have been working with metric temperatures and measurements since before the war, simply because they are more scientific. Our armed forces have long forsaken the confusing a.m./p.m. bit for the 24 hour clock, and what other major trading nation in the world, including the Commonwealth, had not yet changed to decimal currency?

Common sense and logic were bound to win, Common Market or not, and insular eccentricity for its own sake cannot stand in the way of what is, for a change, real progress.

P. R. Easton.
*5, Elvaston Mews, S.W.7.*

## Centigrade not metric

Sir,—Mr. de la Mahotiere (does the name betray a prejudice?) has picked a bad example in comparing Centigrade and Fahrenheit for relative efficiency. First, he is confusing efficiency with convenience, and it is the latter we crave in our daily lives. The first 100 degrees Fahrenheit cover most of our climatic contingencies while the slightest touch of frost forces the Centigrade folk into the minuses. Since a degree F. is just over half of a degree C. we can, in the former system, measure smaller changes of temperature without resorting to fractions or worse, decimals. I expect Mr. de la Mahotiere is familiar with graphs. It is simply a matter of picking your scale to suit your convenience.

But the Centigrade system is not metric at all. Degrees in either scale do not measure quantity—I never understood how Nebuchadnezzar knew his furnace was heated seven times—so we hardly ever have occasion to multiply or divide temperatures. Thus, whatever convenience there might be in Centigrade is illusory.

It takes a bit more space to demonstrate the fallacies of the decimal and metric systems. As for GMT, why not decimalise that too? I believe that eight bells would be a recurring decimal.

Edward Choppen.
*3, Ashley Court,*
*Morpeth Terrace, S.W.1.*

## Cash flow accounting

Sir,—Mr. Smallwood (October 14) describes, although in jest, what can all too easily happen in practice, unless financial figures (whether in the "cash flow" context or not) are firmly anchored back to the physical events underlying them: only then will any spare cash (which there should never be in a well run company of course, see below) become quite firmly identified to: (1) asset additions (accumulation from depreciation provision) or (2) distribution of profits (accumulation of profits) or (3) payment of creditors (accumulation from debtors etc.) or whatever else it may happen to be—which is why the matter was so stressed in my letter (October 11).

Mr. Norman (October 15). A company with even as much as 12½p in its bank account is badly run; capital has to exist to finance that cash, immediately giving rise to waste of resources (quite apart from increasing the capital base and therefore lowering apparent returns for a given profit). Three sources of cash (1) revenue reserves (genuine, that is not locked up in fixed assets) (2) short term creditors (eventual distributions of tax, profit etc.) (3) short term finance (for example overdraft, stocks discounted), can be used to finance net current assets, the total of all three coming to say about 75 per cent. of stocks and debtors (the maximum say, the bank will "discount"). Thus as (2) builds up during the year, (3) reduces by parallel amount. If losses are made, (2) is small and (1) reduces (as the ... are financed) until (3) ... maximum of 75 per cent. ... (1) and (2) become zero) ... are distributed from (2) ... creasing (3) to produce ... needed. And so on. In ... one can very often achi... seemingly quite impossib... aims of (1) having su... standing capital to finan... permanent assets in full ... comfortable margin of ... per cent. of stocks and deb... having net current ... financed in full, automat... regardless of their (sea... level—while simultaneous... perfect safety—(2) running... cash balances.

B. C. J. Warnes.
*P.O. Box 43333,*
*Nairobi.*

## Licensing ho... reform

Sir,—As a step towards ... reform of permitted hours ... the licensed retail sale of ... holic beverages and the ... sary disentanglement of ... chaotic structure left behi... the zealot Lloyd Georg... suggest we return to the ... tion prevailing before ... War I. It is sometimes nece... to put a clock back to ... the correct time.

Permitted hours then ... weekdays, London, 5 a.m. to ... a.m. (Saturday, midnight); ... towns, 6 a.m. to 11 p.m.; ... places, 6 a.m. to 10 p.m. Su... London, 1 p.m. to 3 p.m.; 6 ... to 11 p.m.; other places, ... p.m. (or 1 p.m.) to 2.30 ... (or 3 p.m.), 6 p.m. to 10. Christmas Day and Good F... counted as Sundays. In Scot... Wales and Ireland, except fo... five chief towns—which inclu... Belfast—no sale was permi... on Sunday. But as lodgers ... bona-fide travellers could ... served, and that has now ... scrapped there, in most ca... we may as well unify the ... and apply English times e... where as above.

Ross Wilson.
*51A, Canfield Gardens, N.W.6.*

## An unfortuna... address

Sir,—Oh! how I agree with ... Whall (Oct. 22), but might ... his arguments have borne m... weight if he had not to re... his address as Guinness Cou...

John F. Varcoe.
*Six Corners, Sheriffhales,*
*Nr. Shifnal, Salop.*

# TV/Radio

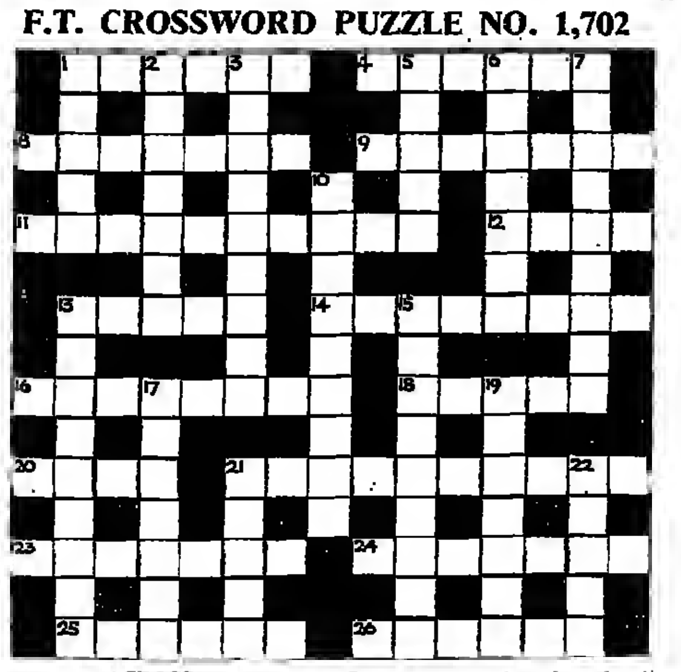
## NEW NATO HQ NEAR LISBON

By Our Own Correspondent

LISBON, Oct. 25.

The NATO area's south-western flank, once regarded as its "Achilles Heel," is prepared for any threat from an encroaching Soviet fleet, said Rear-Admiral Eugene Fluckey, USN, Commander of the Iberian-Atlantic area (IBERLANT) when he introduced to-day his new command headquarters at Alto da Barra, a redoubt on the Atlantic coast about 15 miles south of the Portuguese capital. The command covers some 600,000 square miles from the Bay of Biscay to the Tropic of Cancer, and from the Straits of Gibraltar to the Portuguese Azores.

## F.T. CROSSWORD PUZZLE NO. 1,702



ACROSS

1 Time spent on river in snappy outfit (6)
4 Tenant wanted with one inside dressing (6)
8 Churchman before and after (7)
9 Killing time after accountant joins navy (7)
11 A number put Bill to bed (4, 6)
12 Dislike rewriting two articles (4)
13 First person to help turnover of agencies (5)
14 Boxer goes by tube and puffer (4, 4)
16 Fear they may indicate a poor circulation (4, 4)
18 Direct tip (5)
20 Employer of an American supporter (4)
21 Monday's issue is attractive (4, 2, 4)
23 He gets stuck in at the bull fight (7)
24 Continue we hear with the rotten stuff (7)
25 Admission to course (6)
26 Bang goes the record (6)

DOWN

1 Odd thing giving dog one round (5)
2 Girl is not a whole-hearted Communist (7)
3 Principle no heavy drinker would adopt (9)
5 Happy to be broadcasting (2, 3)
6 Short ball that could go on all night (4, 3)
7 Difficult situation for drunk to notice (5, 4)
10 Don't give up by gum! (5, 2, 2)
13 Nonsense to use a night-light (9)
15 Commend father coming back with testamentary proof (9)
17 Inactive worker in the bedroom (7)
19 Guess there isn't a bell (7)
21 Fathead goes to capital in Somerset (5)
22 To have 150 on strike is a blow (5)

SOLUTION TO PUZZLE No. 1,701

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B | E | A | R | S | O | U | T | ■ | L | I | M | P | I | D |
| I | ■ | V | ■ | E | ■ | T | ■ | ■ | ■ | N | ■ | A | ■ | R |
| G | O | O | D | W | O | O | D | ■ | S | K | I | N | N | Y |
| A | ■ | I | ■ | E | ■ | P | ■ | V | ■ | E | ■ | C | ■ | C |
| M | O | D | E | R | N | I | S | E | ■ | E | E | R | I | E |
| Y | ■ | S | ■ | ■ | ■ | A | ■ | R | ■ | P | ■ | E | ■ | L |
| ■ | ■ | ■ | S | P | A | N | ■ | A | B | I | G | A | I | L |
| W | ■ | A | ■ | A | ■ | ■ | ■ | ■ | ■ | N | ■ | S | ■ | S |
| A | L | F | A | L | F | A | ■ | H | I | G | H | ■ | ■ | ■ |
| S | ■ | F | ■ | M | ■ | H | ■ | O | ■ | ■ | ■ | B | ■ | A |
| H | A | R | D | Y | ■ | E | A | S | Y | T | E | R | M | S |
| E | ■ | I | ■ | D | ■ | M | ■ | T | ■ | R | ■ | A | ■ | T |
| D | O | G | M | A | S | ■ | F | A | M | I | L | I | A | R |
| U | ■ | H | ■ | Y | ■ | ■ | ■ | G | ■ | A | ■ | N | ■ | A |
| P | O | T | A | S | H | ■ | W | E | L | L | W | E | L | L |

* Indicates programme in black and white.

### BBC 1

*9.38 a.m. For Schools, Colleges. *12.55 p.m. Maes a Mor. 1.30 Joe: Watch with Mother. 1.45 News. *2.00 For Schools, Colleges. *3.45 Nurses in Training, part 4. 4.15 Play School. 4.40 Jackanory. 4.55 Animal Magic. 5.20 Harlem Globetrotters. 5.44 Magic Roundabout.
5.50 News.
*6.00 Nationwide and Your Region To-night.
6.45 Quiz Ball.
7.05 Z Cars.
7.30 Film for To-night: "Fluffy," starring Tony Randall and Shirley Jones.
9.00 Nine O'clock News.
9.20 Indira Gandhi of India: Mrs. Indira Gandhi, Prime Minister of India, talks to Lord Chalfont about her life and times.
10.20 On Location: Yul Brynner talks about his career in films.
10.50 24 Hours.
*11.25 Viewpoint.

All Regions as BBC 1 except at the following times:—

Wales—*5.20-5.44 p.m. Telewele. *6.00-6.45 Wales To-day. *6.45-7.05 Heddiw. *10.20-10.50 Canu'r Bobol.

Scotland—*3.00-3.20 p.m. For Schools. *6.00-6.45 Reporting Scotland. 10.20-10.50 The Generation Gap. 11.25 Scottish Viewpoint, followed by Scottish News Headlines.

Northern Ireland—*6.00-6.45 p.m. Scene Around Six. *10.20-10.50 Cabaret from Antrim, followed by Northern Ireland News Headlines.

England—*6.00-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Point West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth). 10.20-10.50 North (from Leeds) To Market, To Market—four MPs cross-examined; North-West (from Manchester) That Stuart Hall Show; North-East (from Newcastle) The North-East Sound; Midlands (from Birmingham) 10-20-10.45 Contact; 10-45-10.50 Tell Tom: Tom Coyne presents your opinions; East Anglia (from Norwich) On Camera; West (from Bristol) The Perfect Furrow: World Ploughing Contest; South (from Southampton) Slightly Quizzical; South-West (from Plymouth) Peninsula Forum: Workers on the March. 11.47 Regional News Headlines.

### BBC 2

11.00 a.m. Play School.
*6.35 p.m. Square Two.
*7.05 Open University: Science B.
7.30 News.
8.00 Floodlit Rugby League: BBC 2 Trophy: 1st Round, Wigan v Widnes.
8.50 Wheelbase.
9.20 "He Who Rides A Tiger," starring Tom Bell and Judi Dench.
11.00 News on 2.
11.05 The Old Grey Whistle Test.

### LONDON

10.20 a.m. and 1.45 p.m. Schools Programmes. *2.33 Time to Remember. 3.00 Interval. 3.05 Toolbox. 3.40 Anita in Jumbleland. 3.55 Yoga For Health. 4.25 Tea Break. 4.55 Junior Showtime. 5.20 Magpie.
5.50 News from ITN.
6.00 To-day.
6.30 Crossroads.
6.55 Keep It In The Family.
*7.25 The Tuesday Film: "The Alphabet Murders," starring Tony Randall, Anita Ekberg and Robert Morley.
9.00 Beaton by Bailey.
10.00 News at Ten.
10.30 Playhouse.
11.30 Drive-in.
12.00 Talking to Young People... About Cruelty. Barry Turner discusses cruelty with a group of youngsters.

All ITV Regions as London except at the following times:—

### ANGLIA

4.10 p.m. Yoga for Health. *4.35 Anglia Newsroom. 4.40 Anita in Jumbleland. 6.00 About Anglia. *7.00 "Colt 45," starring Randolph Scott and Ruth Roman. 8.30 Keep It In The Family. 12.00 Reflection.

### ATV MIDLANDS

3.10 p.m. Yoga for Health. 3.35 To-morrow's Horoscope. 3.40 Women Today. 4.10 Room 222. 4.40 Anita in Jumbleland. 6.00 ATV To-day. *7.00 Star Movie: "Lightning Strikes Twice," starring Richard Todd and Ruth Roman. 8.30 Keep It In The Family. 11.30 Personally Speaking: Colonel E. A. Iremonger.

### BORDER

3.40 p.m. The Garden Indoors. *4.08 Border News Headlines. 4.10 Yoga for Health. 4.40 Anita in Jumbleland. *6.00 Border News and Lookaround. 7.00 Tuesday Western: "The Beautiful Blonde from Bashful Bend," starring Betty Grable, Cesar Romero and Rudy Vallee. 8.30 Keep It In The Family. 12.00 Border News Summary.

### CHANNEL

3.55 p.m. States of Guernsey Lottery. 4.05 Grasshopper Island. 4.20 Puffin's Birthday Greetings. 4.25 McQueen. 6.00 Channel News. 6.10 Police File. 6.15 Channel Lookaround. 7.00 Star Movie: "The Men." 8.30 Keep It in the Family. 11.25 Channel Gazette. 11.30 Commentaires et Previsions Meteorologiques.

### GRAMPIAN

*3.30 p.m. Grampian News Headlines. 3.33 Cartoon Time. 3.43 Anita in Jumbleland. 3.55 Yoga for Health. *6.00 Grampian News and Weather Forecast. 6.05 High Time. 7.00 Tuesday Western: "Man of the West" starring Gary Cooper, Julie London and Lee J. Cobb. 8.30 Keep It in the Family. 11.30 Evening Prayers.

### GRANADA

*3.45 p.m. All About Riding. 4.10 News followed by Peyton Place. 4.40 Origami. 6.00 Newsday. 6.25 Hogan's Heroes. 6.55 Carry on Laughing: "The Million Pound Note" starring Gregory Peck. 8.30 Keep It in the Family. *11.30 Play Better Golf.

### HTV

3.50 p.m. Women To-day. 4.15 Tinkertainment. 4.30 Crossroads. 6.01 Report West. 6.18 Report Wales. 6.35 Tuesday Western: "Gunfighters at Casa Grande," starring Alex Nicol and Dick Bentley. 8.00 Mr. and Mrs. 8.30 Keep It in the Family.

### SCOTTISH

3.30 p.m. The Enchanted House. 3.45 Crossroads. 4.10 Dateline: Early. 6.00 Dateline: Tuesday. 6.20 Hogan's Heroes. *6.50 Tuesday Feature: "The Long Arm," starring Jack Hawkins. 8.30 Keep It in the Family. 11.30 Late Call. 11.35 Beagan Gaidhlig.

### SOUTHERN

3.10 p.m. Yoga For Health. 3.35 To-morrow's Horoscope. 3.40 Women To-day. 4.10 Houseparty. 4.23 Sinbad the Sailor. 4.50 Crossroads. 6.00 Day by Day. 6.35 The Smith Family. *7.00 Tuesday Film: "The Sleeping City," starring Richard Conte. 8.30 Keep It in the Family. 11.30 Southern News Extra. 11.40 Farm Progress.

### TYNE TEES

2.35 p.m. The Scientists. 3.15 Pied Piper. 3.20 Training the Family Dog. 3.45 Women Today. 4.10 North East Newsroom. 4.15 Room 222. 4.40 Yak. 6.00 Today At Six. 6.30 The New Dick Van Dyke Show. 7.00 Tuesday Western: "Thunder Over The Plains," starring Randolph Scott and Phyllis Kirk. 8.30 Keep It In The Family. 11.30 International Flat Green Bowling. 12.15 a.m. Late News Extra. 12.30 God In Good Season.

### ULSTER

*4.30 p.m. Romper Room. *4.50 Ulster News Headlines. *6.00 UTV Reports. *6.15 Character. 7.00 Gunsmoke. *8.00 Deadline. 8.30 Keep It In The Family. 11.30 Be My Guest.

### WESTWARD

3.55 p.m. The Gus Honeybun Show. 4.05 Grasshopper Island. 4.20 Westward News Headlines. 4.22 McQueen. *6.00 Westward Diary. *7.00 Star Movie: "The Men" starring Marlon Brando, Jack Webb and Teresa Wright. 8.30 Keep It In The Family. 11.27 Westward Late News. 11.31 Faith For Life.

### YORKSHIRE

2.34 p.m. The Scientists. 3.15 It's Fun To Be Fooled. 3.20 Training The Family Dog. 3.45 Yoga For Health. 4.05 Calendar News. 4.10 Women Today. 4.40 Sean The Leprechaun. 6.00 Calendar. 6.30 The New Dick Van Dyke Show. 7.00 Tuesday Western: "Black Spurs," starring Rory Calhoun, Scott Brady and Linda Darnell. 8.30 Keep It In The Family. 11.30 International Flat Green Bowling.

### RADIO 1 — 247m

Time checks, up-to-the-minute traffic reports and News summaries at 5.30 a.m., 6.00, 6.30, then every hour on the half-hour until 2.30 p.m., 3.00, 3.30, 4.00, 4.30, 5.30, 6.00, 6.30, 7.00, 8.00, 11.00, 12 midnight, 1.00, a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.32, 8.32, 5.32 p.m., 6.32, 7.02, 2.02 a.m.

5.30 a.m. As Radio 2. 7.00 Tony Blackburn. 9.00 Jimmy Young. 11.00 Dave Lee Travis. 1.00 p.m. Johnnie Walker. 3.02 Terry Wogan. 5.00 What's New: Anne Nightingale. 6.00-10.00 As Radio 2. Radio 1 on VHF and 247m between 10 p.m. and 12 midnight. 10.00 Sounds of the 70s. 11.02 An Ear to the Ground: Alan Black. 12.00-2.02 a.m. As Radio 2.

### RADIO 2 — 1,500m; VHF

News summaries at 5.30 a.m., 6.00, 6.30, (VHF and 247m) 7.00, 7.30, 8.00, then every hour on the hour until 3.00 p.m., 3.30, 4.00, 4.30, 5.00, 5.30, 6.00, 6.30, 7.00, 9.00, 10.00 (1,500m), 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.02, 7.32, 8.02, 9.02, 5.32 p.m., 6.32, 7.02, 2.02 a.m.

5.30 a.m. News. 5.32 Breakfast Special: John Dunn (8.27 Racing Bulletin.) 8.55 Pause For Thought. 9.02 Pete Murray's Open House. 11.02 Morning Story. 11.15 Waggoners' Walk. 11.30 Tony Brandon introduces a Midday mixture. 2.02 p.m. Woman's Hour. 3.02 Terry Wogan. 4.15 Waggoners' Walk. 4.31 Sports Desk. 4.33 Sam Costa presents music and song. 6.02 Album Time with Brian Matthew. 6.50 Sports Desk including racing results. 7.03 After Seven: David Jacobs—entertainment in words and music. 8.02 Does The Team Think? 8.30 "Camelot": Howard Keel invites you to listen to highlights from movie musicals. 9.00 Alan Dell's Big Band Sound. Radio 2 on 1,500m and 202m only between 10 p.m. and 12 midnight (202m Edinburgh, Glasgow, Dundee and Aberdeen). 10.02 Late Night Extra, including Sports Desk at 10.15. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride. 2.00 News.

### RADIO 3 — 194m, 464m; VHF

7.00 a.m. News. 7.05 Morning Concert: Salieri, Haydn, Schubert, Handel, Mozart, Tippett, gramophone records. 9.00 News. 9.05 This Week's Composer: Bach on gramophone records. 9.45 Cross-section: 1891: Brahms, Debussy, Tchaikovsky, Strauss, Sibelius. 12.15 p.m. Cardiff Midday Prom: part 1: William Mathias, Bizet. 1.00 News. 1.05 From Music Magazine. 1.20 Mid-day Prom, part 2: Glinka, Bartok. 2.05 Grown in the Garden: singers from London's Royal Opera House, part 4, gramophone records. 2.35 Haydn Piano Trios. 3.20 The British Composer: William Alwyn, Boyce, Dyson, Bryan Kelly. 4.20 Pied Piper. 4.40 Music in Our Time: Morton Feldman, Bengt Hambraeus, Axel Borup-Jorgensen. 5.45 Sing We at Pleasure. 6.15 Concert Calendar. 6.25 Programme News and Stock Market Report. 6.30-7.30 Study on 3: 6.30 Perspective: Master of Art; 6.30-7.00 Open University: Mathematics. 7.00 Affluence and Inequality. 7.50 Ideas in Science Fiction. 8.00 Concert from Southport, part 1: Berlioz, Joonas Kokkonen, Beethoven. 9.10 Picasso at 90: an appreciation. 9.30 Concert, part 2: Stravinsky. 10.05 Thinking about the Ring: talk. 10.55 Palestrina: Motet and Mass. 11.30 News Summary.

### RADIO 4 — 330m; VHF

6.25 a.m. News Summary. 6.27 Farming To-day. 6.45 Prayer for the Day. 6.50 Regional news, weather and preview. 7.00 To-day: magazine, the News. 7.40 To-day's Papers. 7.45 Thought for the Day. 7.50 Regional news, weather and preview. 8.00 News and more of To-day. 8.40 To-day's Papers. 8.45 Yesterday in Parliament. 9.00 News. 9.05 From our Own Correspondent. 9.30-10.15 For Schools. 10.15 Daily Service. 10.30-12.00 For Schools. 12.00 You and Yours. 12.25 p.m. Just a Minute. 12.55 Weather, preview and news. 1.00 The World at One. 1.30 The Archers. 1.45 Listen with Mother. 2.00-3.00 For Schools. 3.00 Return to the Islands, part 3. The Escape. 3.45 London's Change of Life: 1900s compared with present day. 4.00 Gardeners' Question Time. 4.30 Story Time. 5.00 PM: News magazine. 5.50 Regional news followed by weather and preview. 6.00 News. 6.15 Blast of Spring. 6.45 The Archers. 7.00 News Desk. 7.30 It's Your Line 01-580 4411: Robin Day puts your question to Malcolm Muggeridge. 8.30 A Story of our Time: Kurt Gerstein—witness extraordinary. 9.15 This Island Now: Regional Development: is it grinding to a halt? 9.59 Weather. 10.00 The World To-night. 10.45 To-day in Parliament. 11.00 A Book at Bedtime. 11.15 News. 11.31 Market Trends.

# Racing

To-day's Events Page 12

## Chasing a record

by DARE WIGAN

MR. DAVID ROBINSON, no doubt determined to boost his tally of winners, now standing at 105, with a view to improving on the season's record total of 109 that he himself established last year, will have several runners at Nottingham to-day, of which the two most likely to succeed are *Tamarisk Way* in the Sprinters' Consolation Stakes (4.0) and *Silver Fish* in the Ripton Handicap (4.30).

It was back in March that *Silver Fish* defeated *Drishaune* at Doncaster and he has not won since. However, he came back to form at Sandown last week, when he ran *Calshot Light* to a head, and though, admittedly, he was receiving plenty of weight from Murless's colt, he has an obvious chance here with 8-stone 7-lb. Similarly, the form of *Tamarisk Way*, though she was a disappointing favourite on her last appearance when third at Pontefract, was better than it appeared to be at the time, seeing that *Fabulous Beauty*, who finished second, won a hotly contested handicap at Newmarket just over a fortnight later.

Mr. Robinson runs *Texas Boy* in the East Midland Nursery Handicap (3.00) but I am sceptical about this colt staying one mile and 50 yards. One who will do so is *Van Gogh* from Bernard van Cutsem's stable, but he has plenty to do with 9 stone 3 lbs. and I doubt his conceding 18 lbs. successfully to *Crawter* who, following a close third to *Time Out* and *Faithful Mota* at Wolverhampton, was narrowly defeated by *Royal Shiraz* and *Gypsy Prince* over the Rowley Mile course at the Newmarket Houghton meeting with the remainder of the runners well beaten.

Division I of the Final Maiden Plate (2.00) is likely to go to *Bassoon*, a filly by *Sovereign Lord* who, ridden by a little-known apprentice, finished third to *No Defence* and *Free and Easy* at Yarmouth last month, since when *No Defence* has won again at Lingfield. If *River Doone* were to reproduce form shown in his only race, when a close second to *Whistling Breeze* at Edinburgh in July, he may provide the answer to Division II (5.00).

*Asugar* looks best in the Bitter End Selling Plate (2.30). And *Mantua*, who won a maiden race over course and distance here in June, and who ran well behind *Paddy McGredy* and *Kings Bollard* at Sandown last Wednesday, will surely go close for the Willington Handicap (3.30).

At Plumpton, *Orient War*, who was sharpened up over hurdles at Worcester last month, is of better class than his opponents in the Offham Handicap 'Chase (1.45). *Slevoy Prince* who jumped well when successful at Chepstow a week ago, can score again in the Cuckfield Novices Plate (2.45). And *Master Daniel*, assuming he is fit, will be a tough nut to crack in the Olney Handicap Hurdle (4.15).

NOTTINGHAM
2.00—Bassoon**
2.30—Asugar
3.00—Crawter
3.30—Mantua***
4.00—Tamarisk Way
4.30—Silver Fish*
5.00—River Doone

PLUMPTON
1.45—Orient War
2.15—Jamie's Cottage
2.45—Slevoy Prince
3.45—Ben Ruddock
4.15—Master Daniel

## Witass lines' cut in bunker surcharge

By James McDonald

MEMBER lines of the "Islands and Mexican Sections" of the Association of West India Trans-Atlantic Steam Ship Lines conference (WITASS) have announced that as from yesterday the westbound bunker surcharge of U.S. $1.25 per freight ton net (£0.52)—imposed on November 16, 1970, following a series of steep increases in fuel prices—has been reduced to U.S. $1.00 (£0.42) per freight ton.

The lines say that recently, "in limited areas of the conference's operations the cost of fuel oil to the lines has been reduced to below the level effective when the surcharge was introduced." But they stress that the lines' overall average bunker expenses remain substantially higher to-day than before January, 1970.

tter from Perugia

# Sagra

by WILLIAM WEAVER

ounded shortly after the last —the last World War, that is a Sagra musicale umbra has for almost 30 years one of 's finest, but not most popu- music festivals. Often per- ing to maddeningly small ences, the Sagra has ented then unfamiliar works ahler and Bruckner, Bach Schumann cycles, and an premieres of Janacek and Benjamin Britten. In recent ons, this brief festival (it about ten days) seemed to o finally acquired an ionco, though its financial icture remained always ky. And this year that econo- uncertainty had apparently ome so acute that, until a rt time before the opening, re was grave doubt there ld be a 1971 festival.

t the last minute, a pro- mme was pieced together; d the 25th edition of the Sagra y opened. This year's calen- is a bit less star-studded than al, but the inaugural concert s nevertheless of considerable erest and managed almost to the sumptuous basilica of n Pietro, scene of many morable concerts in the past. Two works were performed: avinsky's *Threni* and Schön- g's *Die Jakobsleiter*, neither them very familiar in the lian concert seasons. Though s one of Stravinky's "Italian" rks (première in Venice in 8), *Threni* was surely new to st of the listeners in Perugia. fortunately, it did not receive grand performance. The oists were well chosen, the orus of the Prague Philhar- nic (a frequent Sagra visi- ) was, as always, accurate d sensitive, and the Maggio sicale orchestra was also in od form; but one had the pression that the reading was much more than that. Piero llugi conducted carefully, but most tentatively, at a steady mezzo-forte. Stravinsky's stark music seemed undramatic, drained of content. We were offered an idea of *Threni*, but not *Threni*.

The Schönberg work, on the other hand, struck real, warming sparks. It is an even greater rarity than *Threni*. After its Italian première at La Scala in 1962, this was only its second Italian performance. Obviously, Bellugi feels the piece deeply, and he brought out all its contradictory richness, clarifying on the one hand its closeness to Berg (Bellugi has conducted *Wozzeck* very well) and, on the other, its post-romantic, Straussian lushness. The Maggio musicale orchestra responded with constant sensitivity—the violin solos were particularly fine—and the Prague chorus performed magnificently (their choir master, Josek Veselka, was strangely not named in the house programme).

There was also an admirable array of soloists, headed by Boris Carmeli, a dramatic Gabriel, and by soprano Dorothy Dorow, whose astral, unerring voice managed to be both cutting and unbelievably warm. Tenor Gerald English was also in fine form, and the smaller parts were excellently sung.

Though this year's Sagra seems skimpy compared to past years, there are several concerts scheduled which should be rewarding, among them an evening with Peter Maxwell Davies and the "Fires di Londra," with four Davies Italian premieres as well as a Buxtehude local premiere. As usual, the Sagra, though based in Perugia, will be giving programmes all over Umbria: Assissi, Todi, Orvieto, and other smaller towns. It would be a great pity if money problems were to prove too much for this festival; it is a musical organisation that Umbria—and Italy—can ill afford to lose.

Wigmore Hall

# Ralph Kirshbaum

The young American cellist Ralph Kirshbaum made an excellent impression with his first London recital a year ago, and there was a nearly full house at the Wigmore Hall on Saturday evening for his second. His programme could hardly have been more demanding: Bach's unaccompanied suite in C, the last sonatas of Brahms and Beethoven, Stravinsky's virtuoso *Suite Italienne* after *Pulcinella*, and a new solo work composed for Mr. Kirshbaum by Justin Connolly.

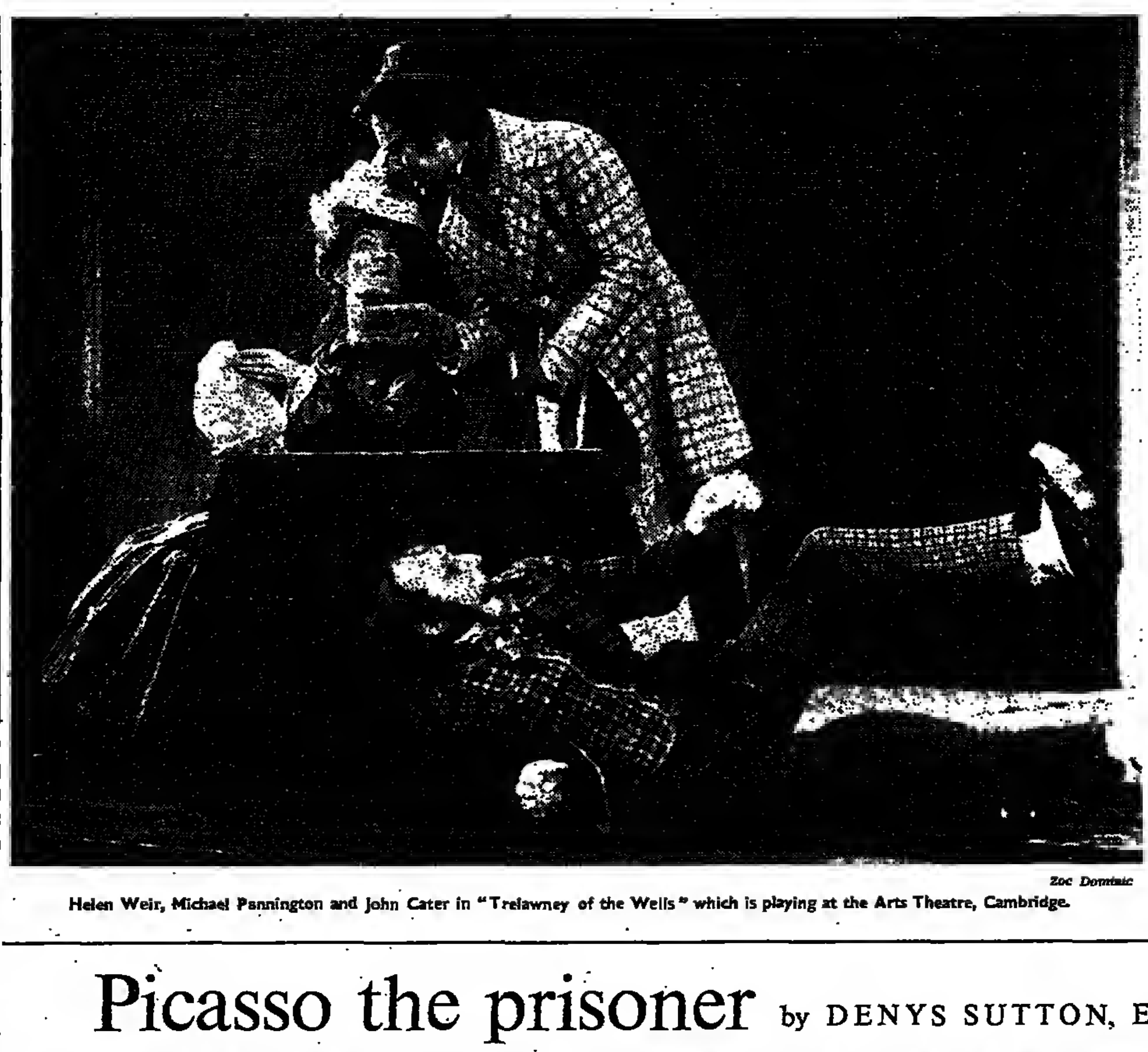
A programme like this would be over-ambitious except for an artist of exceptional intelligence and sensitivity and absolutely assured technique: Mr. Kirshbaum soon convinced us of his right to tackle it. However, works like the Brahms F major sonata and the Beethoven D major, and to some extent the Stravinsky, too, demand a partnership between cello and piano that goes far deeper than that of soloist and accompanist; if the recital as a whole had less impact than some of its parts, it was because Brian Lamport, Mr. Kirshbaum's London-based pianist, seems to be temperamentally and stylistically on a different wavelength from him. Not that his playing did not have virtues of its own—firmness, clarity, technical assurance: Mr. Lamport is not a soloist to be easily overshadowed. But what one missed was a willingness to scale down the modern piano's tone to that of the cello and, more particularly, to yield to Mr. Kirshbaum's subtle inflections of dynamics and tempo.

For in spite of the brilliance of his technique, subtlety and sensitivity are undeniably the hallmarks of Mr. Kirshbaum's playing: the most impressive thing in his Beethoven and Brahms was not so much the precision of rhythm and intonation, fine as this was, but the elegant shaping of the cantabile lines. Mr. Kirshbaum never wallows in the beautiful tone of his instrument, but perpetually keeps on his toes, as it were—a quality which Connolly's *Tesserae III* exploits to the full, with rapid shifts of tone-colour and tessitura. The piece is apparently based on a 19th century hymn tune—or rather, not apparently, since the tune is so fragmented as to be unrecognisable as such, though perhaps close analysis might deduce it. The coherence of the five contrasted movements therefore depends very much on the player's concentration and commitment; it says much for Mr. Kirshbaum's musicianship that he could achieve this while coping with Connolly's imaginative exploration of every technical resource of the unaccompanied cello.

JEREMY NOBLE

## Cast change

Ciorica Cortez, the Romanian mezzo soprano, took over the role of Amneris in *Aida* at the Royal Opera House last night. This is Miss Cortez's second role at Covent Garden, following her Carmen two years ago.



Zoe Dominic

Helen Weir, Michael Pennington and John Cater in "Trelawney of the Wells" which is playing at the Arts Theatre, Cambridge.

Festival Hall

# NPO and LPO

by GILLIAN WIDDICOMBE

The New Philharmonia leaves for a three-week tour of the East Coast of America next week; the London Philharmonic is just home from a four-week tour of Canada, the American West Coast and Mexico. London orchestras travel in style! Perhaps it is as well that they do not travel on the same trail; at least at the moment. Most of the time we avoid direct comparison between the four London orchestras, reserving it as a sophisticated weapon for special occasions. But Sunday's juxtaposition of the NPO with Maazel in the afternoon, and the LPO with Haitink in the evening, invited cut-throat competition. And though they had every reason to be tired, and to claim a handicap by having crossed the Atlantic on Saturday, it was the London Philharmonic who won. Theirs was altogether a more enjoyable concert.

Writing about Maazel's first major bout as Associate Principal Conductor of the NPO during the last week, Ronald Crichton remarked that the relationship between conductor and orchestra must alter, and that in this case the present transition is none too happy. Seems to me that Maazel has already wrought some changes in the NPO's string playing. At best, as in the Brahms Fourth on Sunday, it has become a burnished sound, loud and fierce, with a forthright sense of clarity that is one of Maazel's specialities. In some ways this is a great gain: with Klemperer the strings had developed the art of the uncertain, which is to be constantly indistinct.

But at the same time, Maazel has sacrificed the sweetness that used to be one of the NPO's great string virtues; he does not make the orchestra sing. And a bigger problem is that the new style is not yet completed. It was savagely undermined by Sunday's opening work—the Adagio from Mahler 10. That is hard enough to play cold, with long exposed solos for all string sections; and Maazel made it more hard by using the new Mahler Society edition, which okins the scoring of all the doublings of bygone days, and even rejects the sensible solutions of Deryck Cooke.

The London Philharmonic set off to an easier, more brilliant start, with a bright performance of Berlioz's *Corsaire* Overture. Perversely, they had chosen a concerto soloist whose tendency is to play at a constant loudness. Christoph Eschenbach played the first Beethoven concerto with the LPO and Schmidt-Isserstedt last April; and I remember him then as playing more flexibly. But perhaps that was beside Schmidt-Isserstedt's stiff accompaniment; whereas Haitink ordered a rich array of dynamic shades which *rather revealed* an excess of Germanic heaviness from Eschenbach.

However, the highlight of the day was the LPO's performance of Shostakovich's Symphony No. 10. This they had obviously played with Haitink on the tour, for it was thoroughly shaped even by his careful standards. One of its special features was superb wind playing, and we may as well note that since Haitink became their Principal Conductor the LPO has developed the finest woodwind section of any British orchestra. Of the Shostakovich, one criticism only. The flamboyant passages suggested something I had not noticed in Haitink's work before: a certain monotony creeps into his sense of rhythmic direction. Wonder whether anyone noticed that in America; it's a habit that tends to pass unremarked in western Europe.

# Picasso the prisoner

by DENYS SUTTON, Editor of Apollo

Pablo Picasso celebrated his ninetieth birthday yesterday. He is still very much a hero of the contemporary scene and two exhibitions of his work are on view in London, at the ICA and the Waddington Galleries. It is sometimes hard to realise that a large part of his achievement occurred before the 1914-18 War, that watershed in European civilisation, and that he had his English admirers in that far-off time.

Inevitably the question of Picasso's contribution to art is now a matter of debate. One aspect of his work that can never be doubted is its range and ability to arouse controversy. Yet does it have qualities that appeal to a younger generation, one particularly taken by Victoriana or by artists such as Gustave Moreau, that master of a complex historian?

Picasso, the son of a painter, grew up in the *fin de siècle*. His many paintings, water-colours and drawings of the Blue and Rose periods are among its most brilliant and exquisite evocations; they reveal much about his nature both as man and artist. He conjured up in them both the pleasures and pains of the *belle époque*. He was touched by the state of the poor and the gaudy drama of the prostitute; he was especially attracted by the world of the circus; clowns appealed to him as symbols of transience.

Around the turn of the century he emerged as a poet of pathos. He was a victim of the pessimism of the age and his conception of man as a tragic figure is similar to that of his compatriot, the writer Unamuno who emphasised that life was a tragedy from birth to death. This conception coloured Picasso's attitude and explains much about his art.

Picasso in some ways has been a prisoner, seeking to escape from a tragic philosophy; this is one reason why he has found refuge in wit and in a search for the past forms, although expressed in terms of his own time. Always alert to modern trends, he was aroused by the directness of primitive forms, as may be seen in his celebrated *Les Jeunes Filles d'Avignon*, 1907, a vigorous reaction to the sweetness and even sentimentality of the Blue and Rose periods. He was eager to come to grips with reality and to discover new formulae.

For Picasso, Cubism, of which together with Braque, he was an originator, offered a means of evading his problems by searching for a formal discipline. Much has been made of the way in which the Cubists created a style that is said to have done for 20th-century art what the painting of the Italian and Flemish masters did in the mid-15th-century: namely, propound a new vision of space. Douglas Cooper, a leading authority on *this* movement, in his excellent book *The Cubist Epoch*, has argued that "Cubism involved a return to the earlier conceptual principle insofar as the artist assumed the right to fill gaps in our seeing, and to make pictures whose reality would be independent of, but no less valid than, our visual impressions of reality, and was thus stylistically the antithesis of Renaissance art."

This summing-up of the aims of Cubism is true as far as it goes. Yet after half a century or so, it may be felt that Cubist paintings, Picasso's included, do not provide a profound reinterpretation of visual reality; the experiences behind them heighten our appreciation neither of visual nor spiritual qualities; they remain decorative pictures, charming but a shade empty. Picasso at this stage was handicapped by a growing indifference to colour.

Picasso increasingly saw life as a stage. This is why he was such a marvellous designer for the Ballets Russes of Diaghilev. The theatrical element in his nature relates him to a latter-day Mannerist such as Fuseli and, like this master, he has favoured gigantic figures, as may be seen in his works of the 1920s. Many of his pictures—*The Three Dancers*, 1925, and the *Minotaur Carrying a dying horse*, 1936, for example—could well serve as backcloths and *War* and *Peace* of 1952 give the same impression. A theatrical mood also occurs in his *Guernica*, 1937, and one may even wonder if it possesses the tragic intensity generally associated with it.

Picasso is rightly renowned as an artist of extreme dexterity: he is a superb graphic artist and when he turns to prints, his somewhat coarse feeling for colour does not imperil the power of his designs. His sense of design and his ability to hit off a striking image, often illuminated by wit, are in fact his most dominating qualities.

During the Blue and Rose periods, Picasso revealed his qualities as an aesthete: he has ever remained one. He has delighted in Greek art, El Greco, Negro sculpture, Van Gogh, Gauguin, Raphael and much else besides. Indeed, one of his most apparent virtues is his belief that an experimental art ought to be based on a knowledge and appreciation of the past. He is an eclectic, who in his best work, is able to digest his sources and produce his own solutions.

There is something a shade Pirandellian about Picasso. He is an artist searching for identity: this helps to explain why, chameleon-like, he has adopted so many styles and looked in so many directions in an effort to find the secrets of art that fascinate him. He is a man of paradoxes too; profoundly influenced by pessimism, he is also an imp of humour. Deeply convinced of the importance of art, he has been a conscious and deliberate performer in the role of the maestro. In all he has done, he has been haunted by one demon —the fear of emptiness that must beset any creator who lacks profound conviction.

Pablo Picasso photographed against one of his new works.

# Amiens and the Opéra

by CLEMENT CRISP

I spent last week-end watching ballet in France, first the Paris Opéra troupe and then the Ballet Théâtre Contemporain at the Maison de la Culture in Amiens. Amiens is only 90 miles from Paris, but the two companies are light years apart: at the Opéra the ballet looked stale, barnacled, desperately dated, an art of the day before yesterday: Amiens' BTC is bright, forward-looking, full of happiest promise, a company for to-day and tomorrow.

Amiens is an industrial town of 100,000 inhabitants; almost completely razed by the war—though the glories of its 13th century cathedral were spared—it was one of the sites chosen for André Malraux's great scheme of cultural centres to illuminate and enrich the artistic life of the French provinces. At the end of Amiens' chief shopping street is the handsome building of the *Maison de la Culture*; in a large fore-court stand some brave modern sculptures; inside there is a superb theatre seating 1,100, a small cinema which can double as a concert hall, reading rooms, a painting studio for children, rehearsal rooms, a restaurant, a record-library, and a large open-plan area in which exhibitions can so to speak, wind round and through the rest of the activities of the Maison. There is a continual sequence of plays, films, exhibitions, concerts, and dance-companies to be seen, but overriding all this is the relaxed, happy and yet purposeful atmosphere of the whole enterprise.

The whole purpose of the Maisons de la Culture is to involve the people in the activities that go on there, and in Amiens this ideal and happy state seems to have been achieved with complete naturalness. To this dazzled onlooker, it seemed as if some sort of minor millenium had arrived in which the arts had become a perfectly ordinary extension of the life of a community.

The Ballet Théâtre Contemporain is no less remarkable than its setting. It is a state company, brought into being by the Ministry of Culture in 1968, entirely independent of the Maison de la Culture though given its titular home there and rehearsing and planning there for performances that take it throughout France (playing in other *Maisons de la Culture*: there is an exchange between the Maisons of their respective theatre troupes) and on foreign tours. The key to its importance lies in its contemporaneity: music, décor and choreography are all modern, and my impressions of the programme which I saw are of clarity, freshness and a quite extraordinary novelty in design. This, I imagine, is the achievement of the company's artistic director, Jean-Albert Cartier, who has been at pains to involve fine modern painters in the close collaboration which he seeks for each new ballet. Among the artists already employed are Calder, Sonia Delaunay, Francisco Sobrino, César, Etienne Hadju, Claude Visleux; like Diaghilev before him—and the comparison is not all that remote —M. Cartier is attracted by the idea of the "painter's ballet," and thanks to the admirable resources of the theatre the lighting of each of the works I saw was superlatively good . . . yet another parallel with that earlier animator of ballet.

The programme on Saturday night opened with *Amériques*, choreographed by Norbert Schmucki to the Varèse score of the same name, and with strong designs by Alexander Calder. Choreographically something of a curate's egg, the ballet served to introduce a company that gives a feeling of being a true ensemble, a quality due, I would hazard, to the presence of Françoise Adret as choreographer, ballet mistress and "animateur chorégraphique." That the company can also boast stars was evident in the succeeding *Hi Kyo* which revealed James Urbain and Vera Filatoff as remarkable technicians and dramatic performers. The score by Fukushima is a flute piece already used by Jaap Flier for the Nederlands Dans Theater; like Flier, John Butler—the present choreographer—has interpreted this as a duel between a man and a woman, and it is markedly effective, with, as I already anticipated, a fine décor by Pham Nguoc Tuan. Next *Contute Profone* by Milko Sparemblek, using an electronic score by François Bayle, and with a tremendous sculptural set of white forms by Etienne Hadju.

The ballet presents one woman (the very expressive Thérèse Thoreux) as both goddess and victim for a group of men; it is a work with forceful choreography wonderfully danced by the whole ensemble. And finally *Hopop*, high jinks by Dirk Sanders to a collection of pop tunes, with witty designs by César, and jolly choreography to show off the troupe: an ideal closing ballet.

And the Paris Opéra? After a 14-month closure the Palais Garnier has re-opened its doors this autumn, and last week the ballet returned to its proper home. Would that I could say that anything in the initial programme which I saw on Friday was as enjoyable as the ballet in Amiens.

The evening started grandly with a *défilé* in which the stage is thrown open to show the distant prospect of the very depths of the foyer de la danse with its glittering chandeliers, whence the entire company and school advance to the march from *Les Troyens*. First the petits rats and then the female ensemble—gleaming smiles met with ecstatic cries from the audience; next the boys from the school and the male contingent —*looking slightly self-conscious*, but roundly applauded. Then Lander's *Etudes* to show off the technical prowess of the company (fine among the men, slightly less than fine among the women) but all tinged with that wrist-flicking, mincing, ultra-mannered style that—for this viewer—looks about 50 years out of date. There followed the first new creation of the season, Norbert Schmucki's *Aor (Light)*, a version of the Salome story so dreadful on all counts that, save for the presence of the magnificent Cyril Atanassoff as Herod, I would have fled the theatre. But the threat of Béjart's *Bolero* to close the evening was too much, and flee I did as soon as *Aor* had sunk to its uneasy rest. The ballet at the Opéra seems far from that exciting company we knew in Lifar's day; on the admittedly brief evidence of this week-end, the future of ballet in France lies in Amiens rather than Paris.

Ballet Theatre Contemporain in "Hopop" by Dirk Sanders

Art Galleries & Clubs Appear To-day on Page 2

# Farming and Raw Materials

# Copper market up despite stocks increase

BY JOHN EDWARDS

COPPER pricea moved up on the London Metal Exchange yesterday, despite a riae in warehouse stocks almost equal to the previous fall. Total holdings at 127,775 tons, up by 2,150 tons, ere therefore only 100 tons below the all-time record established two weeks ago.

The rise in prices, with cash wirebers up by £4.5 to £422.25 a metric ton, was attributed to some steady buying from one influential source throughout the day. The firmer tone was also helped in late dealings by a Reuter report from Lima that 16,000 Cerro de Paaco workers at copper, zinc, lead and silver mines were threatening to walk out to-day in support of wage claims and demand for better working conditions.

## Threat in Chile

Cerro de Pasco says it is unable to meet the demands, which will cost it an estimated $500m., because of substantial losses suffered as a result of strikes since late 1970.

The company has told the Government its production plans have been considerably delayed by strikes earlier this year and asked that discussions on its workers' demands be postponed until late 1972 beceuse of the difficult aituation

Trouble is also threatening in Chile where some 7,000 workers at the Chuquicameta mine are planning to demand a 50 per cent. pay rise when their labour contracts expire in December. However, for the moment any production cutbacks in South America would not be too serious. Western wnrld stocks, according to the U.S. Copper Institute, rose by 34,310 tons in September to e total of 409,389 tons and U.S. output is likely to continue climbing with end of the copper workera' dispute there.

Rumours that the buffer stock manager of the International Tin Agreement had atopped supporting the Penang market, triggered off by a fall in the Malaysian Straits Tin price over the weekend, unsettled the London tin market initially. However prices held steady on some sustained buying of three months tin, believed to be on behalf of the buffer stock, which until now has been concentreted on buying of cash. But suggestions that the buffer stock has changed policy because of depleted resources seem difficult to believe since the Tin Council recently authorised the ITC chairman to call up further contributions to the buffer stock by producing countries, if and when required.

Under the new Agreement the buffer stock is allowed to return surplus contributions to the producing countries, instead of keeping them locked up for the whole period, so there should be less reluctance to call up reserves, especially as the International Monetary Fund is also pledged to help out.

There was a sharp fall in LME zinc values yesterday, despite a further fall of 1,125 tons in stocks to a total of 21,650 tons. Lack of support buying by producers was blamed as the main reason for the decline and, of course, the aharp increase in values last week inevitably attracted some profit-taking.

## Slight shortage

The cash price being at a premium over the forward quotation indicates there is a slight shortage of immediately available supplies. Nevertheless, the possibility remains that the delayed shipments from Korea could well help meet genuine consumer demand unless it ia boosted by producer or apeculative buying.

Another rise of 950 tons in lead stocks, up to a total of 47,225 tons, was shrugged off by the market initially with Friday's rising trend being continued in the morning. However, absence of buying brought a setback in the afternoon causing values to close lower on the day.

LME silver atocks rose by 480,000 to 6,360,000 ounces.

# Curb on skin imports under study

By Our Commodities Staff

IMPORT controls on skins of endangered species of wild animals will be considered sympathetically, by the Government, the Common was told yesterday.

Mr. Anthony Grant, Under-Secretary, Department of Trade and Industry, told the House in e written reply that the Government would consider the matter "aympathetically" as soon as the Department received essential technical information from the British Fur Trade Association.

The endangered species include cheetahs, cougars, leopards and pumas.

# Cyprus to buy lamb from Bulgaria

By Our Own Correspondent

NICOSIA, Oct. 25.

THE Cyprus Government haa decided to allow the import of fresh lamb from Bulgaria to meet the acute meat shortage in the island. Meat prices have soared by up to 30 per cent. in the past two months, and both consumers and the Government have begun to worry about the effect of this on the rising cost of living.

A three-man delegation has now gone to Bulgaria to negotiate the import of meat. According to available eatimates, imported Bulgarian lamb will cost about 12 shillings an oke (2.8 lbs) —almost half the current price of Cypriot lamb.

Cyprus is expected to import about 40 tons of fresh lamb weekly. Stockbreeders are up in arms against the Government's move, which they described as a "stab in the back," but the general public has welcomed it. In any event, the decision is seen as a temporary measure until the new crop of lambs are born in Cyprus in about a month's time.

## BARLEY LEVY RATES

Rates of prospective import levy on barley, of £1 for October shipment and £3.50 a ton for November shipment, were announced by the Ministry of Agriculture last night.

# New cut in price of cadmium

By Our Commodities Staff

THE reduction in the U.K. price of cadmium from 65p to 60p per pound cif U.K. port announced by Imperial Smelting Corporation on Friday was yesterday followed by Noranda Sales of Canada and AZ Metals and BHAS of Australia. Other producers are expected to announce a similar price reduction shortly.

Imperial Smelting, a U.K. subsidiary of the Rio Tinto Zinc group, claimed that the lower price level restored parity with the U.S. producers' quotation. The last U.S. price cut was et the end of July but since then the change in exchange ratea has made the price even cheaper.

The free market price in London remains even lower at between £0.55-£0.65, duty paid ($1.23-$1.28 a pound, cif) despite increased demand bringing a firmer tone recently.

At the beginning of July, U.K. cadmium suppliers, led by Cominco of Canada, cut their fixed prices sharply from 93.75p to 65p a pound to become competitive with the free market quotations and evidently thia policy is atill being continued.

# Uganda coffee output and exports down

KAMPALA, Oct. 25.

UGANDAN production of robusta coffee in 1970-71 fell to 174,644 metric tons from 187,400 tons in the previous season, the Coffee Marketing Board said.

But output of Arabica coffee, which the Board is trying to promote, rose to 16,401 tons from 14,100 tons.

Uganda's overall coffee exports through the 1970-71 crop season were well down on the previous seasoo, entirely because of lower sales to non-quota markets, the Board said.

Total quota market shipmeots in the 1970-71 seasoo amounted to 132,934 metric tons, compared with 131,899 metric tons in 1969-70. However, non-quota market shipments totalled only 50,629 metric tons, against 59,719 metric tons previously.

Reuter

# EEC farm pricing must await monetary pact

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

LUXEMBOURG, Oct. 25.

A NEW structure of Common Market agricultural prices for the coming farm year is now unlikely to be agreed until after there has been an overall settlement of the Six's monetary differences. This is the view of Community experts ettending the two-day council meeting of agricultural Ministers that began here this evening.

Price decisiona ere due to be taken to-morrow on two products —pigmeat and olive oil—for which the new season atarts on November 1. But France is maintaining thet no definite new prices can be fixed in the present confused monetary situation, in which all her pertners' currencies are floeting.

## French view

The French view is basically that the new price structure must be fixed on an overall basis, after e full debate on the consequences of e re-alignment of Community parities, for the Common Agricultural Policy. The prices should theoretically have already been agreed three months ago.

The French attitude is seen by some people here as being designed to put further pressure on Germany and the other members of the Community with floating currencies to return to fixed parities. On the other hand, the Dutch—whose currency is also floating—are adopting much the same line, while the Itellens have so far taken up e neutral position.

The Belgians, who would probably prefer to postpone price decisions, are reluctant to say so openly just before a general election in which the ferm vote is alwaya important. Germany, which does not want to put off the price decisions, is not, on the other hend, so interested in the two specific products on the agenda.

The net result is likely to be that the Ministers will adopt some kind of interim agreement to-morrow, so as to allow the new season for the two products to open on time. The next season due to start is wine, on December 16, and there are still several months before the 1972-73 season officially opens for the major products.

## Community aid

This evening the Ministers failed to make much progress on plans to authorise edditinnal Community aid to farmers as part of the Mansholt Plan for the structural reform of Common Merket agriculture.

The Ministers' discussions concentrated on how far national aid schemes could be maintained when Community funds are made available to farmers who submit plans for the modernisation of their operations, and which farmers should qualify for the new grants.

The Netherlands, backed largely by Belgium, wanted national aids—except those approved in Brussels—to be eliminated when the Plan goes into effect. France, on the other hand, was maintaining to-night that edditional national aids could not be abolished at a stroke. The Ministers are to continue their discussions to-morrow.

# Cut-price tomatoes hurt Spain

BY A CORRESPONDENT

EACH YEAR it has become harder for Spain's mainland tomato growers (as distinct from those of the Canary islands) to make a profit. The industry's 90 or so exporters, who between them send Britain some £8m. worth of tomatoes e year, have found that costs are rising faster than returns.

In the present month-old season, mainland tomatoes have been bringing 75p to 100p a six-kilo box. Not long ago the exporters, who in most cases are also the growers of the fruit, would have thought such values princely. But to-day they need about 85p a box to break even, so it is only the better grades of tomatoes that have so far this season made Spain's British sales worthwhile.

Hopes for an improvement in market prices are not high. In the past few years competition from various sources has strengthened. Holland, the Channel Islands and even domestic U.K. growers are putting more pressure on markets that Spain used to dominate, but the most dramatic encroachment is now coming from Romania and Bulgaria. Although it is in Germany and Scandinavia that East European and Spanish tomatoes are clashing most, the effects are spilling over into other markets, including that of the U.K., by forcing the Spenierds to rely more heavily on them.

In the face of such competition the Spanish producers are inclined to feel somewhat helpless. Some of them recently visited the East European countries concerned. They came back with reports of glasshouses being heated "free" as part of the cooling process for factory water, of "free" convict labour in the nurseries and of "free" military aircraft to take the fruit to market.

## Alternative ways

The only thing they found to smile about was that, ironically, much of the know-how and plant for producing these East European glasshouse tomatoes came from Holland, whose tomato growers are now suffering from the exporting prowess of her agricultural equipment manufacturers.

Spain expects to be hurt by exports for as long as Romania and Bulgaria continue to send it, and can only hope that in time they will tire of such an extravagant way of acquiring foreign currency.

Meanwhile, however, although such competition makes the prospects for generally higher market returns look bleak, Spain is hard at work on alternative ways of making tomato-growing more lucrative.

In the drive to raise efficiency and cut costs, the lead has been taken by Etasa of Alicante, which, as Spain's largest tomato exporter, accounts for more than 10 per cent. of all mainland sales abroad. The company's example is influencing standards elsewhere in the industry, and could lead eventually to a revolution in Spanish tomato-growing.

Etasa began this season in brand new premises that bring its entire operations under one roof instead of, as before, having them scattered around in a number of units. Besides centralising its activities, the £250,000 facelift represents a big step forward in tomato handling methods.

The provision of powerful cooling chambers enables the fruit to be chilled now as soon as it comes in from the fields, and, in conjunction with modern refrigerated trucks, held at the right temperature all the way to market. There is also a sophisticated system for sorting the fruit into various grades and sizes. The system is based on the use of turntables to make the movement of fruit rotary rather than linear, and, by an ingenious arrangement of sequence, to enable the women operatives to specialise more and thus more efficient in their respective jobs.

# OECD study on world aluminium surplus to start shortly

BY ADRIAN DICKS

PARIS, October 25.

THE Secretariat of the Organisation for Economic Co-operation and Development (OECD) is expected to start work shortly on a preliminary study of the world-wide problem of over-capacity in aluminium production.

The suggestioo that the aluminium industry should be referred to the OECD waa made by the West German Government at last week's meeting of the OECD industry committee and is understood to have been favourably received by the majority of countries involved.

No clear guidelines of actioo have been laid down yet, but there are hopes that a preliminary study of the world aluminium situation might be ready by early next year.

While it is emphasised here that the OECD has not yet got beyond generalities, there are severel ways in which its past experieoce of industrial problems could be useful. The most recent is perhaps the agreement oo export credits for shipbuilding reached in May, 1969, which set minimum permissible interest rates and maximum credit repayment periods.

This agreement was further tightened up in December last year, and a working party under the chairmanship of the Canadieo Ambassador to OECD, Mr. J. R. McKinney, is currently busy looking for ways to eliminate in the industry other forms of governmental interference with free international competition not covered by the agreement.

While there is no direct parallel between the shipbuildiog and aluminium iodustries, one comparable area of interest for governmenta might be to try to agree on terms of official assistance or other protection given to those reduction plaots which have been set up with official encouragement to reduce dependence on imports.

In the somewbat opposite conditions of the oil industry, the OECD also has experience of playing a co-ordinating role over member countries' emergency stock levels and cootingency plans for mutual assistance. This function, carried out by the OECD oil committee since the 1956 Suez Canal crisis, came into prominence early this year during the oil price dispute

Editorial Comment, Page 16

## ISRAELI CITRUS DEAL WITH PORT OF LONDON

An agreement has been reached between the Israeli Citrus Marketing Board and the Port of London Authority's India and Millwall Docks under which, in exchaoge for priority berthing and manning, a "substantial guaranteed tonnage of fruit" will be discharged in London, the PLA said yesterday.

The fruit will arrive as conventional break-bulk cargo and discharging and quay operations will be performed by the PLA at 30 and 31 berths. The first vessel is expected to arrive next month.

## COTTON EXPORT INCENTIVE BOOST IN PAKISTAN

By Our Own Correspondent

KARACHI, Oct. 25.

The Pakistan Government is considering a proposal to increase the rate of bonus on exports of cotton linters from 10 to 35 per cent.

The underlying objective is to provide more incentive to cotton exporters

# COMMODITY MARKET REPORTS AND PRICES

## BASE METALS

COPPER—Closed higher on the London Metal Exchange. Prices were a little soft in pre-market trading following the increase in warehouse stocks but in the Ring, influential buyiog, which continued spasmodically throughout the day, pushed forward metal up to £429½. News of e strike at Cerro de Pasco in Lima, Peru, came too late to have any major effect on prices. The market was a little subdued owing to the closure of the New York Exchange for Veterans' Day. Turnover 10,600 metric tons.

Henry Gardner and Co. reported that in the morning, wirebars cash traded at £421, 21.5, 21, early Jan. £427, mid-Jan. £425, three months £424 to 28 to 27.5, 28, 28.5. Kerb: mid-Jan. £427, three months £427.5. Cathodes: cash £411, 10.5, 10, mid-Nov. £412, three months £417.5, 17. Kerb: three months £410.5. Afternoon: Wirebars: Cash £422.5, mid-Nov. £423, 24, 25, mid-Dec. £425.5, late Jan. £429, three months £428 to 29.5. Kerb: three months £428, 28.5, 29. Cathodes: cash £410.5, three months £417. Kerb: late Oct. £411.

| COPPER | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Wirebars | | | | |
| Cash | 421-.5 | +4 | 422-.5 | +4.5 |
| 3 months | 428-.5 | +4 | 428-.5 | +4.5 |
| Settlem't | 421.5 | +4 | — | ...... |
| Cathodes | | | | |
| Cash | 410-.5 | +4 | 410-.5 | +2.75 |
| 3 months | 417-.5 | +5 | 415.5-7.5 | +2.75 |
| Settlem't | 410-.5 | +4 | — | ...... |
| U.S. Smt. | — | ...... | 52.75-53 | ...... |

TIN—Held steady. A slight downturn in the Eastern market overnight was attributed to a lack of buffer stock support. Here, however, quite heavy buying of forward metal was thought to have been on ITC account with the result that prices ended little changed. Turnover, 1,010 tons.

Morning: cash £1,400, three months £1,399. Kerb: cash £1,399. Afternoon: cash and three months both £1,399. Kerb: cash £1,400, early Nov. £1,401, three months £1,400.

| TIN | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 1399-1400 | —1 | 1399-1401 | +.5 |
| 3 months | 1399-1400 | —1 | 1399-1400 | ...... |
| S'ment | 1400 | —1 | — | ...... |
| Straits E. | 1422.67 | —2.02 | — | ...... |
| New York | — | ...... | — | ...... |

LEAD—Lower on balance. Despite a larger than expected rise in warehouse stocks, prices were initially firmer owing to what was thought to have been broker buying. Later, however, the buying dried up and this, coupled with the easier trend of zinc, caused a reaction in prices which ended with marginal losses. Turnover, 1,775 tons.

Morning: cash £93.5, mid-Jan. £95, 95.25, three months £95.5. Afternoon: cash £92.75, three months £94.75, 94.5.

| LEAD | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 93.5-4 | +1.025 | 88.5-3 | —.125 |
| 3 months | 95.5-.75 | +1.75 | 94.5-75 | —.125 |
| S'ment | 94 | +1.75 | — | ...... |
| N.Y. Spot | — | ...... | *14-14½ | ...... |

ZINC—Lost ground. A smaller than anticipated fall in warehouse stocks coupled with a lack of the recent buying which was thought to have been producer inspired promoted profit-taking and resulted in lower prices. Turnover, 2,300 tons.

## PRICE CHANGES

Prices per ton unless otherwise stated.

## U.S. Markets

NEW YORK, Oct. 25.

THE MAIN New York markets were closed in observance of Veterans' Day. The soyabean complex closed mixed on reduced volume. Corn was lower with increased hedging pressure. Wheat posted moderate gains reflecting the recent report which indicated farmers are maintaining their tight stocks holding policy, Bache reports.

Many U.S. markets were closed yesterday to mark veterans' Day.

Wheat—N. Manitoba No. 2 174¾ (174¾).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. † Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Drummed $'s per 10 lbs f.o.b. N.Y. § Cents per 56-lb bushel ex-warehouse. ** Cents per 60-lb bushel in store. †† Cents per 56-lb bushel ex-warehouse, 5,000-bushel lots. b $'s per short ton f.o.b. cars Decatur. c Cents per 48-lb bushel. d Cents per 56-lb bushel ex-warehouse, 1,000-bushel lots. ‡‡ Basis Lubbock, Texas.

## Fall in South African wool clip forecast

PORT ELIZABETH, Oct. 25.

THE South African Wool Commission announced here to-day that it estimated the 1971-72 wool clip as 115m. kilogrammes.

This is 3.6m. kilogrammes, or 3 per cent., less than the 1970-71 season, the Commission stated.

So far this season the total value of disposals for the period July 1 to September 30 at R7m. reflects a decrease of R1.1m. (13.4 per cent.) compared with the corresponding period last season. Total sales amounted to 0.5m. kilos (3.3 per cent.) less, while the average price at 47.51 cents per kilogramme was 5.49 cents per kilogramme lower (10.4 per cent.).

Reuter

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## merican ews

### uyana ay get ew port

GEORGETON, Oct. 2-

NA is seriously considering mendations for the estab- nt of a new deep water ar and the acquisition of ean-going shipping fleet, a in the ruling party's news- said to-day.

report in *New Nation*, the 's National Congress paper, ded with a visit here by xpert Bernard Mortior, who advise the Government on vements to existing ship- nd harbour services.

report said the new port ecommended for *Lanaballi*, e Essequibo River east of where a natural deep water ar has been discovered, and a further recommendation r a 50-mile railway to link lli with Wismar, in 's bauxite district up the ara River.

paper also said the Govern- had been advised to acquire ge ships "on a rental- se basis," hut it made no n of Mr. Mortior's visit which is due to last until ber 4.

### 9m. Amazon evelopment

Our Own Correspondent

RIO DE JANEIRO, Oct. 25.

$39m. expansion plan for mazon port of Santarem has approved by the Ministry of sport it bss been announced

tarem is situated at the ion of the Amazon and jos rivers, at the beginning e BR-165 trans-jungle high- to Cuiaba, and is a strategic e. in the Government's zon Basin development

pansion of the port will en- the construction of piers for n going cargo vessels with ghts up to nine metres, and the barge and tug system h is being developed for o transport throughout the n. A terminal will also be tructed for hovercraft les. The area behind the will he developed for com- cial and industrial use, the ouncement said.

# Poll shows Nixon's popularity is rising

BY GUY DE JONQUIERES WASHINGTON, Oct. 25.

PRESIDENT NIXON'S popularity with the U.S. electorate is now on an upswing from the doldrums into wbicb it sank during the summer and is riding at its highest point since the beginning of this year.

The latest Gallup poll, taken immediately after the President announced "Phase Two" of his economic programme on October 7, shows that 54 per cent. of American voters believe he is bandling bia job well. This ia a sharp improvement from the last results, taken in the final week of Angust, when he received only 49 per cent. approval.

*Mr. Nixon's popularity rating* ls still below the 56 per cent. with which he started t/e year. But the upward trend is an encouraging sign for him, his advlsors and the political staff which he is assembling to run bis campalgn for the elections in November of next year.

The improvement apparently raflects growing confidence tbat the President's dramatic switch in economic policy will work. It also indicates approval of his stewardsbip of foreign policy, notably his cultivation of hetter relations witb Peking and the continued winding down of the war in Vietnam. His declslon to visit Moscow was announced after the poll was taken.

Tha President bas laid bis nlans carefully, so that be ahould be able to point to solid acbievements during the final year of his first term ln office. If things go well, the economy should be seen to be improving by November of next year, U.S. involvement in Indochins will he in its final stages or ended completely, and the visits to Moscow and Peking sbould enbance Mr. Nixon's prestige as a diplomatist.

The President warned yesterday that these visits should not raisa unrealistic expectations. But even if the Peking trip yields little of substance, it is thougbt in Wasbington that there is s good chance the President will be able to bring back some tangible results from Moscow—possibly the signature of an initial SALT agreement.

Barring some unforeseen catastrophe, such as a major Communist onslaugbt or the collapse of the Thieu regime, Mr. Nixon sbould be pretty well unassailable over Vietnam. Significantly, Senator George McGovern, one of bis cblaf critics, bas already started to broaden his presidential campaign platform away from the single issue of the war.

The major, and in *political* terms potentially most damaging uncertainty hanging over Mr. Nixon'a election prospects is the economy. He bas undoubtedly reapad some short-term benefits simply by deciding to take tough action, both on the domestic and the internatlonsl front.

But the critical question is, even if the President acbieves the objectives of bls new economic policy, are they the right recipe for electorial success?

# Cable TV chief found guilty of extortion

BY JUREK MARTIN NEW YORK, Oct. 25.

THE future of Mr. Irving Kahn, the dominant personality in the American cable television industry, remains in doubt bere following the verdict by a federal jury last week that he had been guilty of hribery and extortion in obtaining a cable television franchise in Pennsylvania five years ago.

Already a proxy figbt is looming for control of Teleprompter, tbe largest U.S. CATV company, of which he is chairman and chief executive officer.

The challenge to Mr. Kahn is heing launcbed by Mr. Jack Kent Cooke, the celebrated American sports promoter who owns 16 per cent. of Teleprompter's shares. Mr. Cooke has already succeeded in gaining some time for his proxy fight by obtaining a court order further delaying the company's annual meeting, wbich had been set for November 24.

Mr. Kahn and his company, whicb was also found guilty by tbe federal jury, are due to be sentenced on November 30. Mr. Kahn faces maximum sentences of up to 20 years in prison and a fine of up $22,000. He bas said he will appeal and is confident that lt will be upheld. Earlier this year, Mr. Kahn had said he would resign from teleprompter pending the outcome of the case, but he subsequently changed his mind and stayed at the belf of the company.

The Teleprompter bribery case, which involves the town of Johnston, Pennsylvania, and in which the decisive turn of events was lbe last minute plea of guilty by tbe mayor of the town to charges that he took part in graft conspiracy, may well turn out to he of enormous importance to the emerging cable television industry.

# EEC hits back at U.S. claims

By Lorelies Olslager

BRUSSELS, Oct. 25.

REPLYING TO U.S. charges of "unfair trading practices," the Common Market Commission to-day published a detailed list of figures to show that the U.S. bad certainly not suffered from the existence of the Community.

Pointing out that EEC tariffs were on average lower than those of the U.S., tha Commission aaid that "tbe growth of American exports to the Community bas been faster than towards many other areas of tbe world." According to U.S. figures they bad risen by 111 per cent. between 1960 and 1970, and U.S. exports to EFTA countries bad risen by only 83 per cent. during the same period. Moreover, its subsidiaries in Europe eold about 2.5 times as mucb again as the U.S. was exporting to the EEC.

The Commission also noted that the EEC bad run a constant deficit in trade with the U.S. amounting to $3,400m. in 1970.

## Unsupported by facts

On agriculture, the Commission said that U.S. charges about protectionism were not supported by the facts. In 1958, U.S. agricultural exporta to the Six bad amounted to $885m. By 1970 tbey bad more than doubled to $1,982m. "During the past six years, American agricultural exports bave gone up 25 per cent. to the Community, compared to only 20 per cent. to the rest of the world."

To counter U.S. complaints about non-tariff barries to trade, the Commission in turn drew up a list of American sins in this field, including quantitative restrictions, the American selling price system, and the Buy American Act. It also said there was "no evidence to date" that any third contry's trade had been barmed by EEC preferential agreements with Mediterranean and developing countries. The Six's exports to these countries had gone up by 57 per cent. since 1958, while U.S. exports bad risen by 91 per cent.

The decline in the American trad surplus in recent years was "due primarily to domestinc inflation and low productivity," the Commission said, and moreover trade "does not explain the American balance of payments deficit," which was caused mostly by the outflow of capital.

MEXICO

# The President has few allies

BY ALAN RIDING IN MEXICO CITY

VOX POPULI seems to he neatly divided whether the extreme Left or the extreme Rigbt was responsible for Mexico's first political kidnapping. Both extremes seemed to bave sufficient political motive for doing it and there are plenty of people "in the know" who support one or other version.

The known facts of the case prove nothing. About 9.30 a.m. on September 27, Sr. Julio Herschfeld Almada, a 54-year-old millionaire industrialist who is currently director of Mexico's airports system, was taken from his car by three armed men and *a woman. They left* bebind two stencilled abeets demanding a ransom of 3m. pesos (about £100,000) to be used "in the cause of the revolution."

## Kidnappers

The note waa signed by the Frente Urbana Zapatista (named after a Mexican revolutionary, Emiliano Zapata), thougb an anonymoua caller later told a newspaper that tbe Movement for Revolutionary Action was responsible. In any event, the ransom was dellvered to the kidnsppers. The Government provided the money but was eventually repaid by the family. Sr. *Herschfeld was released* unbarmed after 60 hours' captivity.

The public's first reaction was that terrorism bad finally reacbed Mexico, that this country's traditional immunity to guerllla activities bad abruptly ended. In fact, the kidnapping seemed to be the natural climax to a recent wave of assaults and bank rohberies for wbicb the extreme Left bad been blamed. Several guerilla groups, formed in 1968 after tbe non-violent protest movement bad been brutally crushed by the Army, bave begun to make tbelr presence felt in the past few months. Thougb they are small in number and no real threat to the Government, the psychological impact of their appearance bas been enormoua.

But on the kidnapping case, there is no proof that the left was responsible. In recent months, the extreme rigbt bas also sbown itself adept al terrorism. On June 10, for example, a well-organised hand of thugs called tbe "Hawks" attacked a student demonstration, killing at least 25 youths, wbile other rigbt-wing gangs have terrorised higb scboola and assaulted left-wing professors inside the university grounds.

In the perspective of history, bowever, the sensational activities of these extremists—and even wbether tbe left or the rigbt kidnapped Sr. Herschfeld—are less important than the quiet drama tbal bas provoked tbem.

President Luis Echeverria, in office almost one year, bas taken on the supreme cballenge of trying to modernise Mexico, sending sbock waves through the society, polarising opinion and earning bimself enemies left and rigbt. The extreme left, feeding off student frustration and mass discontent, fears its own role will be ecllpsed lf Sr. Echeverria's liheral policies succeed. The extreme rigbt, on the other band, *sees* him as a threat to its wealth and privilege. It migbt be encouraging to see the desperation of the extremes aa a gauge of Sr. Echeverria's success, but the fact that extremist activities bave not been controlled could equally reflect bis political vulnerabillty.

Mexico la at a crossroads in its bistory and needs to cbange direction. *It* has enjoyed *20* years of very rapid economic growth wbich bas benefited only a small part of tbe population. It carried out the 20th century's first effective social and political revolution between 1910 and 1917, but for the past 30 years, its rulers bave been conservatives who merely paid lip-service to that revolution.

In a aense, Mexico bas been at this crossroads since 1968. In that year, the first mass anti-government movement for decades emerged and flourished for four brief months before being squasbed by the army. But it left a deep imprint on the Mexican people, transforming "change" from a hope to a necessity. *The Army*, which had kept out of politics for 30 years, also realised its own important role in controlling the country. But eventually account had to be taken of the new conditions prevailing in Mexico since 1968. This resulted in tbe selection of Sr. Echeverria as the presidential candidate of the ruling Instituonal Revolutionary Party (PRI).

From the moment be left bis desk as Minister of the Interior, the 49-year-old Sr. Echeverria showed aigns of being a reformer. During his campaign, be travelled the length and breadth of the country even though be was virtually without an opponent. He encouraged people to discuss tbeir problema in the open and, once in office, he called for constructive criticism of the government. He tried to open a dialogue with the alienated student movement and abowed his good faitb by releasing most of the 1968 political prisonera. He attacked corruption in the goveroment, the PRI and the unions. He called for redlstribution of income and increased luxury taxes to prove his point. Mexico's massive balance of trade deficit required attention so be risked unpopularity by slowing down *the* economy. In brief, be took the first steps towards turning Mexico into a modern and progressive aociety where stability is not a product of repression.

The energy and challenge of tbe Echeverria administration has thrown tbe country into a flurry. On the left, the extremists stepped up their guerilla activity, wbile the moderates decided to take a cbance. Led by two writers, Sr. Carloa Fuentea and Sr. Octavio Paz, and by an engineering professor Sr. Hebertn Castillo (released from ganl five months ago), they formed a political organisation to challenge the PRI's monopoly of power. The leaders have traditional leftist views about the country's problema, although tbey insist tbeir programme will be determined by "the aspirations and opinions" of the masses and will not be imposed from above.

The group accepts Sr. Ecbeverria's good faith, but it recognises the innate conservatism of tbe PRI and doea not believe the party capable of cbange. Sr. Echeverria, on the olber hand, has encouraged this oew leftist movement. He has given it full freedom of movement and expression. He received Sr. Paz and six colleagues aod presumably sees their movement as a counter-halance to the right.

On the right, business opposition to Sr. Echeverria was predictable, tbough the Army remains the critical factor. Particularly among the colonels, the Army apparently oppoaea Sr. Echeverria's "democratic opening." But this is an over-simplification: some Generals are cloae to the President, while ufficers below the rank of captain are more aware of the need for cbange. But no one really knows what ia happening in tbe Army. Certainly tensions exist within its ranks, but perhaps they merely reflect thoae that exist in tbe country as a whole.

Then there are the rumours—of aboot-onts between regiments, or of 50 dead in a hattle inside the First Military Camp in Mexico City on October 2. A retired general and a leading conservative politician, Sr. Alfonso Corona del Rosal, declares that Mexico could have a military president—presumably himself—in 1976. One newspaper columnist even asks: "Will Mexico have a military dictatorship by 1976?"

## Speculation

Rumours, speculation, guesses—but they are inevitable in a political system where tbe secreta of government, party and Army are shared by so few. The rumours may not be accurate, but they are aymptomatic of the increased tensions.

Sr. Echeverria would seem to be under increasing pressure from left and right to abandon his adventure in democracy. He is in trouble, yet be is persevering because Mexico bas no real alternative. The extremists already recognise him as a threat and are fighting him, and the masses, nuuhed by tbe promises of the pasl, are still not ready to accept him. Sr. Ecbeverria bas bitter enemies hut he has few real friends. His basic cballenge is therefore to win the faith of lbe people before this rare cbance of reform is lost.

# Peru's $600m. mine plans

LIMA, Oct. 25.

PERU'S state mining company, Mineroperu, will mobilize capital totalling $600m. during the next five years to carry out six mining projects its president, General Juan Bossio, announced. General Bossio said the projects include development of three copper deposits, exploration of a fourth deposit and construction of refineries and smelters in Lima and the southern port of Ilo.

Financing has been completed for only one project, a $65m. development of the Cerro Verde deposit in the southern state of Arequipa. British Smelter Constructions has signed an agreement to develop the deposit on behalf of Mineroperu.

AP-DJ.

# Brazilian auto sales

BY OUR OWN CORRESPONDENT RIO DE JANEIRO, Oct. 25.

SALES of the Brazilian automobile industry grew 22 per cent. in the first nine months of the year, compared with the same period last year, the Ministry of Finance has anoouoced.

The value of sales from January to September of this year reached Cr.7,773m. against Cr.6,396m. for the same period last year. Total production was 365,942 vehicles compared with 299,017 for the same period last year. Volkswagen accounted for Cr.3,468.9m. of this year's figure, around 45 per ceot. of the lotal, followed by Ford-Willys with Cr.1,365.4m., around 15 per cent., with 209,056 and 67,986

## Export News

# BL dealer shake-up bears fruit

SALES of British Leyland cars in Austria during the first nine months of 1971 totalled 9,148 units, 33 per cent. up on the 6,819 units sold in the corresponding period of 1970.

Commenting on the sales increase Mr. Karl Rohan, managing director of British Leyland Austria, said "This success is largely due to improvements in our dealer and workshop organisation. During the past financial year most of our dealers considerably enlarged their facilities and our marketing programmes have heen designed to provide maximum customer satisfaction through excellent after sales service."

Also in Europe, the British Leylsnd Belgian subsidiary fnrmed in January reports a steady increase in its penetration of the Belgian car market during the first nine months of operation.

In the 1971 third quarter (July to September) British Leyland cars captured 3.3 per cent. of the Belgian market, compared with 2.4 per cent. in the first quarter and 3 per cent. in the second quarter.

Mr. Bryce Cousens, managing director of British Leyland Belgium, attributed tba improvement to "a combination of increased supply from the company's plant in Seneffe and a re-franchisiog policy that allows the 175 or so British Leyland dealers in Belgium to sell tbe company's full line of mini, medium, sports and luxury car models."

*

A contract to the value of £400,000 has been received by the Bowthorpe Power Equipmeot Division, Banbury, a Bowthorpe Holdings Company, for the supply of bigb-tension outdoor switchgear for shipmeot to Brazil.

SCIENTIFIC INSTRUMENTS

# Cambridge bids for the low budget R & D market

BY DAVID CURRY, EXPORTS EDITOR

Cambridge Scieotific Instruments has developed a low-priced scanning electron microscope which, it claims, opens up an entirely oew world market.

The Stereoscan 600, selling at about £10,000, is pitching at two markets: the bottom end of tbe research aod development market for smaller laboratories and as a relief macbine for more complex instruments; aod eventually, at the quality control market, expected to emerge primarily in the U.S.

The machine, wbicb produces a three-dimensional television-type picture, is a complement to the company's S4 Stareoscan which already claims more than 50 per cent. of the world market for scanning electron microscopes.

It gives magnifications up to 50,000 times and is claimed to be specially suited to Industrial and routine research problems, sucb as sample cbecking, quality assurance, production sampling, and examination of wear and damage.

## U.S. award

The Stereoscan was launcbed in the U.S. early this year aod was one of three British products to collect an award io the IR-100 competition as one of the 100 most significant new tecbnical products to be launched on the American market.

It bas just completed a 5,000 miles sales tour of Europe in a mobile test hed, proving, the company claims, that it can he operatad successfully in rudimentary conditions.

Mr. R. H. Davies, managing director of Cambridge Scientific Instruments, a member of the George Kent group, said that this year the company would reacb a £3m. turnover in sales of electron-probe equipment.

In 1965 electron-probe sales of the Stereoscan and Microscan X-ray analysers, totalled £350,000. Since then the company has sold instruments worth £11m., of wbicb £7½m. bave been for export—more than 50 per cent. of world production.

The U.S. takes some 30 per ceot. of production. IBM has bought 18 Stereoscans, NASA has taken eight and Bell Telephooe four.

Applications of the S4 include the study of moonrock, cancer research, forensic crime detectioo and industrial research in, for example, the oil and fibres fields.

The company has just booked orders for iostruments and equipment worth £175,000. Russia has ordered a Stereoscan and £75,000 of equipment and the University of Barcelona bas given Cambridge Scientific Instruments its first Spanish sale with contracts worth £60,000 for a Stereoscan 4 and Microscan 5.

The compaoy has pioneered the commercial manufacture of alectron-probe equipment, drawiog on development done at Cambridge University. Its two basic products in this field are the scanning microscope, which produces a three-dimensional picture of a material (the ordinary electron microscope can only handle a small sllver of material aod prodoce a two-dimeosional picture) and the static probe X-ray analyser used for determining the chemical composition of materials.

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At the recent Testmashpribor Exhibition in Moscow, Instron, of High Wycomhe, obtained orders to the value of £135,000 for Instruments from its range of materials testing equipment.

Instron was awarded a diploma by the All Union Chamber of Commerce in Moscow for its "outstanding participation" in the specialised exhibition.

THE THIRD WORLD

# Sudanese paint deal

CARSON-HADFIELDS, the paint manufacturing division of the Bestobell group has signed a licensing agreement with a Sudanese company for the production of decorative and industrial paints in the Sudan.

Under the agreemant, made with The Nile Paintworks Company, of Omdurman, near Khartoum, Carson-Hadfields is to provide technical, manufacturing aod marketing advice. Carson-Hadfields personnel will spend sufficient time in Omdurman to produce paint formulations which will be adapted to meet tbe particular requirements of the Sudanese climate.

The company already has a series of similar licensing arrangements covering the Lebanon, Ethiopia, Jordan, Kuwait, and Sierra Leone. Agreements are also being negotiated in a number of other Middle East and European countries.

*

A £32,000 contract has been awarded to Ptessey Telecommunications for the installation of additional telepbone excbange equipment in Swaziland. Under the contract, Mbabane exchange is to receive a 400-lioe extension, three additional manual switchboard positions, and traffic relief equipment.

*

L. A. Rumbold, makers of airline seats, a member of the Bristol Street Group, hss won export orders worth £200,000.

Much of this new business is derived from airlines hssed in the Far East. Passenger seats for the new Malaysia Airlines' fleet of Boeing 737s and for Thai Airways' future HS.748s form part of the increased order book, as well as seating for the BAC 1-11s due for delivery to Air Pacific and Merpati, Indonesia.

Also included are additional seas for Alitalia's Boeing 747 aircraft and for a further three Convair 990s to be operated hy the Spanish charter airline, Spantax.

# Continental highway for Africa

By David Curry

THE Overseas Developmeot Administration is arranging for the Loodon consulting engineers T. P. O'Sullivan and Partners to nodertake a pre-feasibility stndy of the proposed Trans-Africa Highway. The United Nations Economic Commission for Africa (ECA) has overall responsibility for the direction of the project, which would span the "waist" of Africa from the Indian Ocean to the Atlantic.

At an ECA meeting in Addis Ababa earlier this month an offer by Britain to condoct a pre-feasibility survey was accepted. Offers of assistance to the project as a wbole came from a number of other countries.

The pre-feasibility study will involve an assessment of the economic significance of the wbole route, ranking alternative ronies in order of economic preference, carrying ont cost henefit surveys and also overall cost analysis.

A study of the development plans and trade patterns of the countries affected will be made to establisb estimates of transport demands and consequential estimates of construction and maintenance standards that will be required.

The highway is at present defined by the ECA as a road link between Mombasa and Lagos, passing through Uganda, Congo Kinshasa, the Central African Repuhlic and Cameroon.

It would be some 4,000 miles long with abont threequarters of its length already classified as a roadway, with substantial improvements needed, and the remainder to be constructed.

It is expected the consultants' report will be presented to ECA in time for the Commission to put definite proposals and recommeodations to tbe next meeting of the Highway Co-ordinating Committee, dne to hc held in Bangui, Central African Repnblic, next March, when the next stages of the project will be discussed.

The conotries involved in aiding the project are U.K., Belginm, West Germany, France, Italy, Japan, Netberlands, Sweden and the U.S. Germany and Italy are understood to have reserved their position pending further study of the project.

THE COMMON MARKET—WEST GERMANY

# Where there's a will there's a way

**Peter Strauss, a West German management consultant, argues that British companies have spent too much time waiting for political decisions about the Common Market before trying to sell in West Germany. There's nothing to be afraid of in the market, he maintains.**

EXAMINATIONS of the pattern of British-German trade in recent years—oot bad in itself but somewhat disappointing compared with the total volume of German foreign trade—tend to be preoccupied with the hig items oo the list of export goods, with large investments, and huge operations. Very often one hears of great expectations in fields like nuclear power and supersonic aircraft.

Now, as far as the large operations are coocerned, Britain has not done badly at all. Large groups like BP, Unilever, and Dunlop have had their most successful operations in Germany long before the war and, for instance, ICI, bave moved In on quite a big scale.

However, income drawn from such British operations in Germany is "invisible." At tbe same time, quite a large degree of plougbing-back is done.

## VAT refund

Germany, by contrast, lost ber investments in Britain entirely and so operated in Britain only on a minor scale and could not draw, mucb less re-invest any profits from Britain.

The official figures thus do not properly reflect the extent to whicb goods made by British companies in Germany are used in Germany. It may safely be assumed that the Britisb position in reality is more favourable than shown hy the balance of trade.

It may well be that the management of numerous small and medium-sized British companies—not being aware of the true position and smelling the sense of frustration pervading many of the publications oo U.K.-German trade—are led to believe that exportiog to Germany is a matter strickly reserved for giants only.

At the same time, hearing of the decisive advantages the elimination of trade barriers gave to the industry of the Six, some people jump to the conclusion that barriers between Britain and Germany to-day are almost insurmountable. This is not true at all.

Distribntion cost in Germany iocluded, the price of British goods to the end-user in Germany contains only a very small percentage of duty. VAT levied at the border is often misunderstood as being a kind of duty. Not everyone seems to know tbat German companies are refunded for whatever they pay in VAT for their purchases and that the German consumer pays just as much VAT on German as on imported goods.

## Small concerns

It is very often overlooked that trade between France and Germany, for instance, grew by more thao 200 per cent. both ways within five years after the formation of EEC, long before the ao-called trade barriers had actually heen removed, and It continued to multiply in the following years, although some of the barriers exist to thia day.

What happened was that, on being told that a true Common Market was now on Its way, not only large but literally thousands of small and medium-sized companies wlthin the EEC simply stopped being intimated by barriers, restrictions, language difficulties and complicated red tape. They took heart to tackle them properly and in a very practical manner started to build businesses for themselves in the other EEC countries.

Certainly, quite a large proportion of the growth in trade was achieved not by big companies selling mass-products, but by enterprising smaller companies, often with specialities, little known In the neighbouring countries and therefore quite unaffected by the duties and restrictions which still applied, with very special know-bow in particulsr fields, and with the important sdvantage of flexibility and personal effort.

## Sophisticated

Something very similar could happen to U.K.-German trade if the British husinessman would be better aware of realistic opportunities whicb the second largest import market of the world—Western Germany—offers to-day.

It is, admittedly, quite a sopbisticated market which must be properly studied, and this can hest he done by baving a leg in the German market—regardless of whether selling through agents/distrihutors or through an organisation wholly or partly owned by the British principal, may be the answer to the actual sales problem. The company does not have to be hig. It does not have to spend a lot of money.

When making preliminary estimates of tha potential volume of business a British company can do in Western Germany, It must be borne in mind that Western Germany is an excellent basis for business wltb Austria, Switzerland, Holland, Denmark, Sweden and Eastern Germany. (British exports to Eastern Garmany, for instancc, £17m.; West German exports to Eastern Garmany close on £300m. in 1970.) Austria buys £91m. worth of goods from Britain, but some £660m. from Western Germany.

Any more permanent form of establishment a British company may set up in Western Germany might, tberefore, well be also used for trade with those countries and, more specifically, hriog servicing, assembly, or production facilities closer to those markets, not only geograpbically but also by making use of established German contacts.

For business in Germany it is, of course, very important that a British company has people speaking very good German, if they are Englisb, or very gnod English, if they are German. Translators and interpreters will help a lot and it would be foolisb to start without them hut in the long run the organisation itself must be as fully bi-lingual as ever possible.

It may be difficult for an Englishman to realise both that the English-speaking Germans he meets everywhere are not representative of the Germans as a whole (and sometimes their English is not as good as at first thought) and that he cannot really understand what they tell him even in the ... lish, if be does not ta... trouble, the time, and th... pcnse of listening to th... ennugh and of asking ... questions.

Sophisticated products ... sophisticated market ... backed up hy good se... Agents and distributors ... world round are normally very enthusiastic about p... effort and money into this ... sity. If the exporter is ... majnr principal and allow... agent plenty of mooey, tim... expert help he is not like... build the service organis... his product needs and des... in terms of profit and gr... potential.

Very often it will be a ... ldea to build an indcpeoden... vice organisatinn. People ... prepared to pay for good se... and good money cao be made ... of It.

## Intricacies

It is nbvious that training ... education is a major facto... hnme and ahroad. But ... Important to get people very ... versed in the intricacies o... German way of life and busi... Very often this will mean ge... Germans to train staff ... agents. This Involves, of co... training the trainers in the ... ticular field of business ... which they are engaged.

Too often people again ... back witb the excuse that ... should wait for the final po... decisinn, the final terms ... agreed and published in ... properly explained and ... mented upon by all ... anthorities.

The opportunities are ... there to be seized anyway ... even If tbere are delay... Britain's joining—and the ... sitional perind will be quite ... which is not altogether ao ad... tage—that should only consti... one mnre major reason for g... quickly and efficiently ... huilding up British sales ... Germany.

Every penetration nf the ... German market starts with d... the particular homewnrk for ... particular husiness before m... is spent on offices, salaries, m... cars, equipment and train... While doing It, many of ... problems which look like m... ones will he better unders... and lose their menacing ... The sooner one starts the soo... this will happen.

uropean
iews

# Negative growth rate predicted for Germany

BY MALCOLM RUTHERFORD

BONN, Oct. 25.

WEST GERMANY may have a negative growth rate for most of the next year, according to the latest joint report of the country's main economic institutes, published to-day. The report predicts a continuing fall in investment, in new orders to industry and in the use of industrial capacity, as well as a perceptible rise in unemployment. In these circumstances, it says, the immediate aim of economic policy must be the avoidance of recession.

The institutes, nevertheless, are notably favourable to the present policies of Prof. Schiller, the Economics Minister, and support the floating of the D-mark because they claim it will contribute to reducing domestic inflation.

If necessary, they say, the Bundesbank should be ready to sell off some of its massive dollar holdings in order to keep the de facto revaluation rate against the dollar high.

The justification is that this would help domestic stability by reducing the possibility of rising prices because of increased competition from abroad, and would also bring down the level of wage settlements. It would further help towards an improvement in the American balance of payments because Germany would be more open to American exports.

The institutes' projections about the German economy are based on three assumptions:

1—The D-Mark revaluation against the dollar will remain at around 10 per cent., either by continuing to float or by the fixing of a new parity.

2—The Government will not make use in 1972 of its available anti-cyclical funds to prime the pump.

3—Interest rates will continue to fall.

The second assumption is highly questionable; however, on this basis the institutes project that for most of next year there will be no real growth in the gross national product. Only a possible recovery in the later part of the year will bring the real growth for the year as a whole to 1 per cent.

Industrial investment in new equipment next year will be about 7 per cent. down in real terms on 1971. Private consumption will rise nominally by 6.5 per cent.—after 11 per cent. in 1971, but in real terms by only 2 per cent. The annual rise in the cost of living will slow down, but only to about 4.5 per cent.

Rising unemployment will continue for some time to come, though admittedly from a very low base. The institutes suggest that the number of employed will drop next year by about 1 per cent. Much depends however on the outcome of current wage negotiations with the metal working union and the public services union.

To avoid a recession, the majority of the institutes recommend an easing of credit policy and an early repayment of the temporary surcharge on income and corporation tax. Both these measures are likely, at least in the course of next year.

On the international monetary system, the institutes repeat their familiar preference for some kind of "crawling peg" arrangement, which would allow small but frequent parity adjustments. They say it should be accompanied by an agreement on an international code of behaviour to prevent the rates being unduly manipulated by central bank intervention.

The main German objection to this has always been political, on the grounds that it is incompatible with the Common Market agricultural policy. However, if the institutes were right when they said in a Press conference to-day that the CAP is practically dead, the crawling peg idea may be in for a revival. It is known to be favoured in high German places.

## chiller xpects o meet iscard

Christopher Lorenz

FRANKFURT, Oct. 25.

OF. KARL SCHILLER, the t German Economics and ance Minister, expects to e productive talks with his och opposite number, M. card d'Estaing, at to-morrow's ting in Luxembourg of the finance and economics isters, the German Minister cated to-night.

here had been reports in the few days that M. Giscard ld not be attending torow's meeting, and would fer to talk to the visiting et delegation in Paris, but German Minister is clearly ecting him to attend. ether Prof. Schiller wants to t him for individual talks, side the Council of Ministers m. was not clear to-night.

rof. Schiller's statement was e at a Press conference in nkfurt, at which he also ounced that the Ministers of Group of Ten would nitely meet on November 22 23. He did not say where talks would be held, but rces close to him indicated t Rome is the most likely ce.

he Minister told the Press ference, held after a meeting the Bundesbank Council in ich he took part, that an ernational realignment of ities should be achieved as n as possible. Otherwise the ling-off of certain economies ld make an eventual realignt less satisfactory from the erican point of view. Delay uld also increase the danger countries taking protectionist ps.

### o-ordinate

Reginald Dale, Common rket Correspondent, adds from xembourg: the Common rket's Ministers of Finance et here tomorrow primarily to ordinate short term economic d budgetary policies in the amework of the Six's planned ove towards economic and netary union. Short-term economic co-operation is one of the w elements of the plan that ve not yet fallen victim to the onetary crisis.

The main aim of the meeting to approve a Commission port on short-term economic licy for 1972, which is intended provide the basis for better ison between the Six in the alisation of their national dgets for next year.

The Ministers are to meet ain in Paris on Thursday week, vember 4, to discuss wider pects of international monetary oblems at a session of their gular quarterly discussions on strictly informal basis.

But the expected presence re to-morrow of both Prof. hiller and M. Giscard has given e to some speculation that ere may be contacts outside e official council meeting morrow on the differences of ew on monetary affairs tween their two governments.

## Hungary's 'reformed' economy in trouble

BY MICHAEL SIMMONS, EAST EUROPEAN CORRESPONDENT

HUNGARY'S decentralised methods of economic management, which have been closely watched throughout Eastern Europe and by some planners in the Soviet Union as a possible model to be copied, are running into serious difficulties. Mr. Rezso Nyers, one of the country's most senior economists and politicians, said during the weekend that "an enormous number of problems" in the economy were awaiting clarification and that "fundamental decisions" had to be made in economic policy-making.

Economists and party leaders attended an economic meeting in the Budapest Parliament last Friday, at which the Prime Minister, Mr. Jenoe Fock, stated that important problems—often stemming from an irregularity of investments—had arisen since the reform peculiar to Hungary (known as the new economic mechanism) was introduced in early 1968.

Presenting a detailed analysis, Mr. Fock said that while basically the economy was developing soundly, weaknesses in Government measures had provided opportunities for what he called "economic crimes." A great deal was heard about "selfishness, greed, and hoarding" and it seemed that such phenomena were on the increase.

Investments last year, he went on, had gone up twice as fast as the national income. As a result, difficulties were being experienced in the national Budget and in the balance of payments. Too frequently, investments were being embarked upon which were not feasible either technically or financially.

Another problem was caused by the excessive mobility of labour. "Harmful migration of labour," the Prime Minister said, "damages labour discipline and lax labour morale increases this fluctuation."

Hungary had a trade deficit of $450m. in a turnover of just over $2,500m. in the first six months of this year. A third of this deficit occurred where it hurt most—with the hard currency area of Western Europe.

Exports overall went up by only 1 per cent., which must be considered a severe set-back to Hungarian planners who work in the knowledge that earnings from sales abroad make up more than a third of the country's GNP. Imports, by contrast, went up by 24 per cent. in the period under review compared with the first half of last year.

## Greek police arrest 36

By Our Own Correspondent

ATHENS, Oct. 25.

ATHENS security police have arrested 36 Greeks including four members of a terrorist organisation which exploded time bombs in various parts of the capital since October, 1969 the Ministry of Public Order announced to-night.

The ministry said the explosive devices and other materials used by the organisation called "20th of October" were sent from abroad and brought into Greece by paid foreigners. It said the organisation was based in Paris. Each of the bombs contained more than four kilos of TNT. Three of the four arrested are students and the fourth is a plumber. All are in their late twenties. Another two members of this group, both students, are wanted by the police.

The ministry said that between October 20, 1969 and October 10 this year the organisation had planted 12 time bombs. One of these which exploded under the statue of former U.S president Harry Truman on November 26, 1970 killed a policeman who tried to defuse it.

## Matesa officials pardoned

By Our Own Correspondent

MADRID, Oct. 25.

THE SPANISH Supreme Court has decided to stay proceedings against several ex-Ministers and leading government officials allegedly involved in the Matesa company's misuse of about £60m. worth of export credits granted by the State-controlled Banco de Credito Industrial.

The court dropped the charges against the accused under a general pardon decreed by General Franco several weeks ago and which provided for the release of 3,086 persons—about one-third of the total prison population in Spain—as well as the automatic stay of proceedings in all pending cases.

The pardon now announced by the Supreme Court in the Matesa case includes the former Minister of Trade, Sr. Garcia Monco, the ex-Minister of Finance, Sr. Espinosa San Martin, the ex-Governor of the Bank of Spain, Sr. Navarro Rubio, as well as the directors of the medium- and long-term credit institute, the Banco de Credito Industrial and other high-ranking officials who, if convicted, would have faced sentences of up to two years' imprisonment and heavy fines "for negligence in the administration of public funds"

However, the Supreme Court has not dropped the charges against several low-rank employees of the Banco de Credito Industrial and against the Vila Reyes brothers and other members of the Matesa Board of Administration.

## Labour unrest continues

By Our Own Correspondent

MADRID, Oct. 25.

THE LABOUR situation in Spain showed few signs of improvement to-day after several weeks of strikes and protest demonstrations. The officially imposed lock-out of workers of the SEAT car factory in Barcelona ended this morning. The men of the morning shift showed up for work and there were thorough checks at the factory gate—the management claimed this was to avoid the smuggling in of "professional agitators."

Several thousand workers started sporadic strikes as soon as they had reached their workshops. They later resumed work but new strikes were declared by the workers in other parts of the factory. So far the management has taken no action against the new strikes.

Coal mining in Asturias has practically come to a standstill after several weeks of strikes and lockouts. The state controlled HUNOSA company has announced a new lockout until November 1 of several thousand workers on strike in the Nalon pits.

THE NIXON ECONOMIC PLAN

# Italy counts the cost in terms of jobs

BY NORRIS WILLATT IN MILAN

THE 10 PER CENT. U.S. import surcharge imposed by President Nixon as part of his "crash" programme to solve the American balance-of-payments crisis could, directly or indirectly, cause loss of employment to 150,000 Italians.

This is a preliminary figure projected by the Italian Government, which like others in Western Europe has been trying to calculate the cost of the American emergency programme to its economy. The bald statistic itself is more startling than, in fact, the situation warrants. Not so many people are expected to lose their jobs altogether. For many, the impact may mean only short-time working, or merely the end of overtime.

### Dismay

Nevertheless, the surcharge is viewed with dismay in Italy, even if the effect of it upon the national economy is less drastic and has received less publicity than the effects on such countries like Japan and West Germany. Moreover, the Italians are particularly mortified by the fact that the new obstacles to international trade now being imposed by the U.S. have come when Italy's exports to that country have reached close balance with imports.

In 1970, as the result of a sustained export drive, Italian shipments of merchandise to the U.S. market amounted to some $1,354m.; imports from the U.S. were valued at $1,534m. This produced a trade deficit of $180m., but it was the third year in a row in which the exchanges had been quite close to equilibrium. This situation was in sharp contrast to that in the middle 1960s. In 1963, for example, Italy's exports to the U.S. amounted to less than $500m., and imports were more than $1,000m.

Thus, in striving for equilibrium Italy has come a long way in the past decade, largely by expanding exports in a constantly broadening two-way exchange. Now, it seems, the process is in for a sharp check. In taking this sober view, Italian economists, businessmen, Government officials, are assuming that the import surcharge will be preserved, in one form or another, for some time after the emergency phase. They fear it may be followed by other more severe import bars.

Official concern on the subject was expressed recently by the Italian Minister of Labour, Signor Donat Cattin, who also explained how he had arrived at the figure of 150,000 workers who were likely to suffer. The surcharge, he said, would have an impact on about 25 per cent. of Italy's total exports to the U.S., worth between $250m. and $300m.

### Direct effect

Working back from this figure, the Government had reckoned that this would cause a drop in employment of between 40,000 and 50,000 people in the export industries, some of whom would be laid off, others put on short-time, and others deprived of current overtime. But this would be only the direct impact; there could be indirect effects on suppliers, shippers and others which could bring the total affected to 150,000, or even to 170,000.

This would make more difficult the task of the Government, which already has unemployment and under-employment problems on its hands because of a slow-down in the domestic economy. In recent years, the U.S. has, in fact, been an important safety-valve: its increasing absorption of Italian exports have helped to relieve the pressures for social reforms building up within the organised labour movement on the Peninsula. Now, the surcharge and its effects threaten to add to the pressure.

According to Signor Cattin, Italy can take a measure of comfort from the fact that its exports to the U.S. are heavily weighted in favour of consumer goods, such as shoes, stockings, clothing, textiles, which are less likely to be affected by the surcharge than producer goods, especially as the latter will also be hit by President Nixon's plan to grant tax relief to domestic concerns which buy their machinery and equipment in the U.S.

### Consumer goods

This is some consolation, but in the industrialised north of Italy a far from insignificant share of export business with the U.S. is in the form of machinery and equipment. Thus, recent statistics for the Province of Lombardy, of which Milan is the hub, showed that by far the largest category of exports to the U.S. in 1970 consisted of products of this type. With a total value of some $83.3m., they accounted for almost 22 per cent. of the total exports to the U.S. by the Province. The second most important category, mineral oil and its derivatives, came to only $28m., or 7.3 per cent. of all exports.

The same survey also showed that certain types of consumer goods are also important dollar earners for Lombardy industry, including shoes and related products, with a 1970 export value of some $17.3m.; synthetic textiles ($16.7m.); hosiery ($12.1m.); silk and silk waste ($10.8m.). Quite aside from the latest "crash" programme, such products as these have for some time been under the shadow of protectionist propaganda in the U.S.

For this reason, the textile and clothing manufacturers of the Milan area have not been greatly encouraged by the news that some of their greatest competitors, such as Japan, Hong Kong, Taiwan, have agreed to limit exports to the U.S., in return for removal of the 10 per cent. surcharge from most types of textiles. They still will labour under cost disadvantages, especially taking into account the devaluation of the dollar.

Dollar devaluation will also hurt the shoe industry of the area, which sends about 20 per cent. of its exports to the U.S. Other industrial communities in the region also have their worries. For example, in Pavia, whose exports of shoes to the U.S. in the period 1963-1970 increased from $2.7m. to $5.7m. per annum (more than 33 per cent. of the total of shoe exports to the U.S. from Lombardy), the surcharge has aroused pessimism. The reaction of manufacturers of shoe-making machinery and sewing machines has also been one of pessimism.

### Silk decline

In Cremona, concern is greatest in the hosiery industry, though it is also shared by exporters of shoes and textiles. Como, the leading silk-producing community in Italy, has already this year suffered a decline of over 5 per cent. in value terms and over 21 per cent. in volume terms in its exports to the U.S. This is partly because of the American recession, and partly through growing competition by Japan, West Germany and Britain.

In Mantua, the industries most likely to be hurt are those making dolls and sun-glasses; the former directs between 35 and 40 per cent. of all its exports to the U.S., and the latter 61 per cent. Brescia, the centre of a major arms industry, about 30 per cent. of whose total exports of some $18.4m. in 1970, were U.S.-bound, also is expecting a setback.

# Common Market Debate

THIRD DAY

Mr. Geoffrcy Rippon, the Government's chief nego-tiator, admitted in the Commons yesterdey that the total coat of entry into the EEC to Britain's halance of payments could be as high as £500m. a year by 1977. Under pressure from the Labour henches, Mr. Rippon agrced that he had given this figure to lobby journalists—thnugh, he hastened to add, he had also told them that the "dynamic effects" of entry could bring an overall improvement of £1,700m.

The information aroused renewed interest in the continuing dehate even though Mr. Rippon, with due modesty, claimed no precision for his astimates.

He only guaranteed: "The terms we have agreed ensure that there will he no sudden or intolerahle burden on our halance of payments before we have the full advantage of the dynamic effects of entry." But what would heppen after 1977?—"Irrelevant," retorted Mr. Rippon. Irrelevant hecause no decision could he taken against the vital interests of any memher.

Mr. George Cuoninghem, from the Lahour hack-benches, thought thst only went to prove that it would he impossihle to change the Common Agri-cultural Policy. And amid great hilarity, Mr. Rippon replied: "I listened to your apologia. This is mine. . . ."

"Don't apologise," Lahour MPs shouted in pardonsble mirth. And, in fact, Mr. Rippon, in a patient and peaceable mood despite the interrup-tions, did not.

The atmnsphere was markedly less forgiving during Mr. Michael Foot's apeech from the Oppo-sition front hench. Dr. David Owen, a former Lahour junior Minister and a pro-Marketeer, was advised to join the Conservatives hy some of his Labour colleagues when he interrupted Mr. Foot—"before you get carried away with your own rhetoric." And later Mr. Foot reminded anyone who needed it: "I voted against my party on occa-sions. But I cannot recall ever doing it to keep a Tory Gnvernment in office."

Mr. Foot warned the Government: "The instinct of the British people ought not to he despised hy those who seek to govern them." That instinct had survived the pro-Market campaign, he said, mainly hecause it recognised the loss of sovereignty that would ensua. The Commons and the people would hava lass power over a wide range of policies, said Mr. Foot. With Mr. Heath at the helm, the country was now watching "the most daring display of aeamanship since the wreck of the Hesperus."

**Philip Rawstorne**

RIPPON . . . no decision can he taken against the vital interests nf a member country.

FOOT . . . decisions taken by undemocratic bodies.

# Rippon admits balance of payments cost could be £500m.

MR. RIPPON said he bad noted the apecial concern which had heen sbown expressed ahout Britain's responsibility towards others, and noticeably towards the Gommonwealth.

It was significant that at the end of tbe negotiations. Mr. Arnntd Smith, Commonwealtb Secretary-General, had falt able to say tbat our membersbip of the Community would make the Commonwealth more important and not less so, both for the membars of the enlarged Com-munity, and mnst of the memhers nf the Commonwealth.

## Export prices

Mr. Rippon said: "We have negotiated terms which have satisfied the New Zealand Dairy Board and the Gommonwealtb sugar exporters. The only reser-vation relatea to the pricing formula which has heen agreed with the Community."

Mr. William Molloy (Lah. Ealing, North) asked why Mr. Rippon did not give the full view. "You should state the views of the official Opposition in New Zealand which before very long could well he the Government. Do you nnt think you should state the cese as put forward by Mr. Norman Kirk?" (Leader of the Opposition in New Zealand).

Mr. Rippoo replied thet on Octoher 9 Mr. Kirk was reported to have said that prices for New Zealand hutter could drop sbarply if Britain joloed the Common Market.

But another spokesman hed said it wea foolish to say that New Zealand would lose heevily, heceuse everage export prices had been so high lo recent months.

Mr. Rippon referred to e cleim hy Sir Rohin Turtop (C. Thirsk and Malton) last Thuraday that "120,000 returned soldiers from New Zealand bad sent a telegram expressing their concern on the loosening of ties hetween Britain and New Zealand."

Mr. Rippon said that Sir Robin bad said that the telegram was suppressed.

Mr. Rippon said that the presi-dent of tbe New Zealand Re-turned Services Association had told the Britiah High Commission in New Zealand that the author of the telegram apoke only for 6,000 memhers of the Auckland hranch and not for the whole association, which did not share in the action taken.

Commenting on a story in Sunday's Ohserver ahout Gom-monwealth sugar, Mr. Rippon aaid: "They have the hiatory wrong and more important they hava the figures wrong as well."

The Gommonwealth govern-ments themselves were satisfied with the position. "We ahali have to shape a new inter-natiooal sugar agreement appro-priate to the circumstances which lie ahead.

"The Gommunity has shown itself very willing, as in the case of dairy products, to think in terms of international commodity agreements. It is in this way we can hest safeguard the primary producers in the world."

## Most in need

Mr. Rippon said that those MPs who accepted the principle of membership, as distinct from those who did not went to join at any price, could hardly say that Britain should stay out beceuse they could oot provide Commonwealth interests with hetter terms then they hed accepted.

MPs' feers ahout the whole future of the Commonwealth stemmed "from the mistaken conception that the Community is inward-looking and protec-tionist."

He said: "I do not helieve thia is the fact. In truth the Gommunity is in the forefroot of the developed nations in its regard to trade and aid with the developing world.

"I foresee in the future that Britain's developing Common-wealth partners who stand most in need will have conlinuiog relationships not only with us hut also with our prosperous European partners hoth in the fields of trade and aid, including investment.

The House should also take note of EFTA's general satis-faction.

Dealing with fisberies Mr. Rippon aald that agreement might only be reached after enlargement, on the cbanges which were needed and accept-able to all conoerned.

"We will not agree to any arrangement which doea not satisfactorily protect our legiti-mate interest," Mr. Rippon said.

"There is a clear understand-ing that we must either nave an agreemeot on a new regula-tion which is satisfactory to all the applicants as well as the existing members, or if we can-not achieve that, the Community will have to accept we will main-tain the status quo.

"If we do that, any question of negotiatino after enlargement would be dependent on agree-ment hy all parties concerned."

After Mr. Rippon had turned to cootrihutions to the Com-munity Budget Mr. Denis Healey, "ahedow" Foreign Secretary, interveoed. Mr. Rippon hed quentified the cost of changes in industrial tariffs as between £200m. and £300m. when he spoke in the House on December 16, said Mr. Healey.

He bad repeated this figura to journalists on June 24. It was in the original draft White Paper but when Mr. Healey bad put it to the Home Secretary that it had heen excluded from the final version only at the last minute he had heen unahle to deny this.

## Influential voice

"Surely it is the case that the Government did make an esti-mate, that it was £200m. to £300m. and this hrings the total impact cost of entry to £500m. a year in foreign exchange, on the Govarnment's own calculations, in 1977."

Mr. Rippon said: "What you said is quite untrue. All I have aaid is, as stated on December 16, that I always helieved at the end of the day ths halance-sheet ahowa a positive advantage in our favour.

"As far as the other allegations are concerned ahout private meetings with jonrnalists, that is not a true statement of the posi-tion. It really is no good produc-ing statistics just as extension of lines on a graph."

On Britain'a possible rontribu-tions to the Market after 1977, Mr. Rippon said that we had to hear in mind that we wonld not he joining a static Community. We would have a full end influen-tial voice in the decision-making of the Community, including the sheping of the Budget.

We would he pressing for developments in regional, indus-trial aod social policies which would hring us hig henefits.

Mr. Wilson pressed Mr. Rippoo on figures he had given to journalists which had not heen given to the House.

Mr. Wilson asked why, if Mr. Rippon had given them the very wide range of figures which he claimed, all the leading journal-ists writing for the "heavies" had seized on one particular figure.

Mr. Rippon said one figure given was that we should have an overall improvement of £1,700m. in balance of payments hy the end of the period. But as well as quoting a plus figure of £1,700m. they had also quoted a minus figure of £500m.

"More and more people are coming to realise that the real issue is whether Europeans in the 20th century are still creative enough to add another element to their political activity, whether we can have some form of European unity without sacri-ficing oor national diversity," Mr. Rippon said.

## Cast adrift

What happened after 1978 was irrelevant becanse no mam-her of the Community was going to impose an unacceptahle hurden upon us or upon any other memher.

"In practice no decision can ha taken against tha vital interests of a member rountry. That ia really at the heart of the varions arguments on sovereignty and the provisions of the Treaty of Rome.

"On our decision on Thursday depends whether we catch up or whether we cast adrift. It is a decision only Parliament can take. We have a great respon-sihility and a great opportunity.

"In this House this week we stand to gain for future genera-tions through peace, that unity of Europe which our forebears veinly if heroically sought by arms."

# Erosion of sovereignty, warns Foot

MR. FOOT said it had heen seid hy some newspapers thet the de-bate Parliement had had in the last days hsd been horing.

"Mayhe some of those who said thet in the newspapers hed not ectually listened in to the de-bate. Perhaps they had taken it on lohhy terms."

Mr. Rippon's speech seemed to suggest that everything was oow plain sailing on the auhject of New Zaaland, augar, EFTA aod all the other issues that had figured most prominently in the negotiations.

"I wonder whether the Gov-arnment has stopped to ask it-salf why, if in fact these nego-tions bave gone so well, the Bri-tish people bave heen so little persuaded?

"Is it hecause the Britisb people are stuptd? We cannot say that, can we?

"I helieve that the British people are perfectly capable of making up their own minds on this suhject.

"Of course, they look and see what is said hy their political leaders, but I do helieve they have their own judgment in these matters. It is wise for MPs to respect that judgment and to respect the processes by which they have reached it."

He suggested the reason the public had not accepted the view of the Goveroment was partly hecause Government MPs had not sought to present the argu-ment in its hooest merits.

The Government should try to present its caae on its merits rather than to say that someone on the Opposition side of the House might have changed bis mind. There were many Govern-ment MPs opposite who had changed their minds, including Mr. Peter Walker (the Environ-mental Secretary), and they were perfectly entitled to do so.

Mr. Foot said he was con-cerned ahout the views expressed hy the British people and their rights in this metter and there was loud Tory laughter after a Conservative MP shouted "Why do you need a Whip then?"

Dealing with arguments for entry Mr. Foot said it appeared to be curious to argue first of all that the main reason for going in was hecause great decisions were going to be taken in Europa, and at the aame time to argue that our entry into Europe was not going to involve any erosion of essential sovereignty. Mr. Rippon had aaid that Britain should not fear any ero-sion of essential - sovereignty because of the syatem whicb operated in the Common Market.

Mr. Foot said: "Policy is made under the Treaty of Rome in Europe by the tug of different interests between different nations and the question may not he whether the majority is going to override a single nation, hut whether some nation, in order to secure its own way, is going to threaten the disrup-tion of the whole Community and thereby enforce its will on the others.

"It may well he in future; if we enter, that we shall have to accept a whole series of de-cisions which we dislike for fear that another nation will threaten to destroy the Community if we do not accept them. This is what I believe to be a possihility. This is what has already happened.

"It was precisely hy this method that the Common Agri-cultural Policy was decided; it was never part of the Treaty of Rome."

The House of Commons and the British people would have less power to protest against value addad tax than John Hampden had to protest about ship money.

"We do believe that if we go into Europe on the terma arranged there will be some derogation from the sovereignty of this House in such matters as taxation, coal, steel and regional policy."

Lord Gladwyn, in an article in The Timea had said that for tbe EEC to he democratic thare would ultimately bave to he a European Parliament. But in the meantime thoae great decisiona were going to be taken by undemocratic bodies.

The rountry knew that food prices ware going to rise if Britain joined the EEC. "Every time the Prime Minister says there is not going to be much of an increase, everyone is the more certain that they are golog through the roof."

"The end of the era of cheap food is not a small incident in British history, even if the leader of the Liberal Party is not pre-pared to abed a singla tear over the tomb of British democracy."

The erosion of sovereignty due to accession to tha EEG would be real. It would have been much wiser to seek some other way of gaining the advantages of entry or association, said Mr. Foot.

He said he did not wish to give the impression that national sovereignty was an end in itself.

"I do helieve, however, that when we make our derogations from our national sovereignty wa should he very particular where that sovareignty is going to he transferred to."

Mr. Foot said it would he very unwise for this country to hlnr the responsihilities of the House of Commons because our people looked to it as the hody directly responsihle for their living standards, their level of employ-ment and the control of thair livelihoods.

He criticised public opinion polls. First they said that tha majority of British people were opposed to entry hnt in the next breath they expressed the helief that it was inevitable that we were going in.

"That aeema to me to show a feeling of impotent fatalism amongst tha Britisb peopla which is highly dangerous."

Mr. Heath hsd aaid not long ago that he wanted to do the whole deed in the open. It was to be only with the full-hearted consent of the British Parliament and people.

## No mandate

"The people got lopped off that formula fairly early on." Where Parliament was concerned "full-hearted" had now become "half-hearted." Thay wera oow dealing with just the "consent of Parlia-ment."

It was not a matter of con-fidence, apparently. "Nothing like that. Such indelicate lan-guage never passed the lipa of the Patronage Secretary (Mr. Pym, the Govarnmant Chief Whip). Whatever may have been hlurted out by some hig mouth at the Treasury . . ." but the remainder of his sentence was lost in uproar.

"Where is the Prime Minister going now? Into what Parlia-mentary sboals and sballows of subterfuge is be steering now? The most daring display of sea-manship since the wreck of the Hesperus?"

Now it all rested with the Patronage Secretary and whether be would he able to manipulate the hloodthirsty instruments of the guillotine and the closure. Mr. Heath and his Government had no mandate, no authority from tha people, to carry the enabling legislation through the House. If be wanted this autho-rity he could bave tried to get it at the last elsction.

"If it is an historic maasnre, then it ought to he taken in an historic manner."

Mr. Jaremy Thorpe inter-vened: "You went to the elec-tion in 1970 as a member of a party that had an application on the tahle to join Europe.

"In what part of the Lahonr Party's manifesto or in what speech made by any member of the Cabinet of that Government was it made clear that when the terms were known they would first be subject to a general elec-tion?"

Mr. Foot said: "That is the difference hatween my situation and that of many Members of this House. And when I stand here and say I am opposed to entry ioto the Common Market I am saying exactly what I said at the election."

Mr. Foot said Mr. Heath should pluck up his courage to face a free vote of the people "for that, in the and, is the only vote worth having."

Mr. Philip Goodhart (C., Beckenham) said tha point which had ronvinced him in favour of entry was that over the years Britain's power to influenca the Six would inevitably decline if we atayed ontside, while the EEG's power to influence our decisiona would increase.

Mr. Charles Pannell (Lab., Leeds W.) said ha had always wantad Britain to go into the Common Market. "I ehall not abstain—it is time for men to stand up and be rounted."

# Davies reconciles car industry jobless with rising demand

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE paradoxical situation of both expansion and rising unem-ployment in the motor car indus-try was explained by Mr. John Davies, Minister for Trade and Industry, in the Commons yester-day as a situataon prior lo a "boom in consumption."

Mr. Davies said that, in August and Septemher taken together, home car registrationa were about 36 per cent. above corre-sponding figures for last year, and compared with an increase of 6 per cent. in the period Janu-ary to July. August car exports were nearly 10 per cent. up on August, 1970.

From the Tory backbenches, Sir Gerald Nabarro asked at question-time if the Minister could explain how it was that continuous expansion in the industry had not yet succeeded in halting the increase in unem-ployment in all the principal motor manufacturing areas.

## No success

Mr. Davies suggested that it was commoo ground that rising consumption hrought abnut an increase in manufacturing indus-try only with some time lag.

"And at the uutset of any boom in consumption, the first element which is drawn on is existing steck," the Minister went on. "So the effect on un-employment is always normally delayed."

Encouraging prospects for manufacturing industry were also seen by Mr. Anthony Grant, Parliamentary Under-Secretary for Trade and Industry, when he replied to Tory anxieties expressed particularly about the position for Merseyside....

Merseyside was well placed to take advaolage of the Govern-ment's measures for the growth of the economy, said Mr. Grant.

When the Minister went on to maintain that the Government had done more to expand the economy than any previous Gov-ernment had done, he was heatedly challenged from the Lahour side.

Rejecting charges of rompla-cency, Mr. Grant stood firmly by his views of the prospects and blamed the previnus Government for existing difficultiea.

## U.S. tax credits

Representationa in the "firmest terms" hsve been made to the U.S. Gnvernment concern-ing its new aystam of tax credits on manufacturing ptant heing restricted lo plant manufaclured in the U.S., Mr. Davies assured MPs.

Mr. Jock Bruce-Gardyne (Gon. S. Angus) contended that these tax discriminations were an "outrageous breach" of tha GATT.

The Minister said he had not yet had an official response to his representations, but he turned down any suggestion of reprisals by Britain as a way of dealing with the issue. Raprisals cnuld lead to a aerlous downward spiral in international trade He did not want to du anything that would encourage a trede war, and hoped that the "flexibility nf all interests would help reach a conclusion in this difficult matter."

Frnm the Tory backbenches, it was suggested that Senator Kennedy'a next speech snould concentrata on the "iniquities and harmful trade policies of the American Government."

There was some laughter when Mr. Davies said be would refrain from comment.

# No privilege breach in Lyalin case

THE MANNER in which the Attorney General bad dealt with certain questions involving the decision not lo proceed with a drunken driving charge against the Russian defector Oleg Lyalin did not involve a breach of privilege, the Speaker ruled.

Mr. Arthur Lewis (Lab. West Ham N) hed complained that a statement attributed to Mr. T. C. Hetherington, legal secretary to the Attorney General, appeared in the Daily Telegrapb and was, in effect, onswers lo questions Mr. Lewis had put to the Attorney General for answer on the following Monday about the Lyalin drink and driving case.

The Speaker told the Com-mons that he had carefully con-sidered material submitted to him and whether the matter fell within the ambit of privilege. "I now rule that privilege is not in-volved," he said.

In a written reply, Sir Peter Rawlinson, the Attorney General, rejectad a suggestion that he should prosecute Mr. Lyalin for spying.

Mr. Lewis had aaked whather, "in viaw of the evidence avail-able and the self-ronfession of spying" made by Mr. Lyalin, Sir Peter intended to prosecute bim.

# Shots from de women's car

LORD BALNIEL, Minister of State, Defence, describing to the Housa the incident in which two women were shot dead in the Lower Fells erea of Belfast early on Saturday said that the rear window of the car in which they were travelling was "broken from inside."

"Two shots were fired from inside the car towards soldiers in Gape Street. Three soldiers returned a totat of nine rounds."

Once the crowd had heen dispersed from around the car, the two women, Mrs. Mary Meeban, 30, mother of fnur, of Bantry Street, and her sister, Miss Dorothy Maguire, 19, of Westrock Road, were found shot dead in the back seat.

Mr. Jock Stallard (Lab., St. Pancras N.) said: "Earlier reports of this incident over the official media, television and radio and so on, attributed statement to Army spokesmen to the effect that the women were dressed as men and were described as guerillas.

"Photographs published since, and statements made from the scene of this terrible tragedy show clearly that these women were dressed in gaily-coloured blouses.

"They were dressed as many thousanda of young women would dress in this country for an ordioary evening out.

"Statementa made from the same scene of this tragic incident ahow quite clearly that no shota were fired from the van. In view of this will you initiate an imme-diate and romprehensive inquiry into the incident?"

Lord Balniel said: "There has, of course, been an inquiry by the Special Investigation Branch of the Royal Military Police, and the milita will he made available police if they require

"I understand that o was wearing a jacket and the other a jacket or trousers. I konw this ter which has heen argued Press, but it is really irre What matters is that ac tn the report shots were from the car and this w reason for the returning

## Civil law

Mr. George The "shadow" Defeoce Secr urged Lord Balniel to "re more positively and declare there will be the fullest po inquiry into the facts" in vi the apparent conflict of evid

Lord Balniel replied that had already heen an inquiry ducted by the military au ties, and their report woul made available to the police matter wnuld be before courts in Northern Ireland

Mr. Thomson asked if had been any change in in tions given to the Army oo they might or might not Was there any truth in the al tion that there was an instru to fire on suspicioo?

Lord Balniel said there been no change in the rules available to the troops.

## Bolton report

MR. JOHN DAVIES, Secre for Trade and Industry, sai expected to publish the re of the Bolton committee, in ing into the problems of s husinesses, on November 3.

# Regional planning changes

By Richard Evans, Lobby Correspondent

A comprehensive reorganisation of the headquarters planning group and the regional offices of the Department of the Environment is to be in-augurated next month to ensure that the Govarnment machine is capable of implementing environmental policies.

The new arrangements cover all aspects of environmental planning in both town and country, incinding regional planning and development and land-use and transporta-tion policies on the local, regional end national scale. One resnlt will be to decen-tralise much of the planning work to regional offices in 1972.

## Major impact

Regional offices will each be headed hy an under-secretary known as the regional direc-tor, who will also be chairman of the local regional economic planning Board, which provides information and advice to the regional economic planning counsels.

Within each region office work will be organised into three main groups of transportation, planning and housing. The new arrangements will take effect on November 1.

The Environment Secretary, Mr. Peter Walker, said yesterday that the new structure would enable the Government to take a more comprehensive view of the development of the regions, and it would bave a major impact on the imple-mentation of the Government'a regional policies.

# Labour MPs seek UCS assurances

BY OUR PARLIAMENTARY CORRESPONDENT

LABOUR MPs tried to get a firm assurance from Mr. John Davies, Secretary for Trade and Industry, that the Government meant to preserve employment in all four yards of the fprmer Upper Clyde Shiphuilders.

That was the indication he had given last week, Opposition MPs maintained when they pressed Mr. Devies at Question-time on progress made towards clearing up the situation since the Minister's statement on October 20 on his negotiations.

Mr. Davies, however, insisted that his questioners would have some difficulty in showing that such an undertaking—to move towards employment in all four yerds—hed haen given.

## Formal issues

"I don't remember making such e stetement," the Minister seld, end then edded: "Of course it will entirely depend on Govan Shiphuilders being eble in the event to put forward a proposal which will command respect in terms of its future viability."

During these exchanges, Mr. Davies assured MPs that the Government was fully prepared to give guarantees for the com-pletion of ahipa hy Govan Ship-huilders. But there were certain "formal isues" to be resolved with Irish Sbipping first, and the Minister insisted that he rould add nothing to the state-ment be had made in the Com-mons last week.

Andrew Hargrave writes: Mr. Robert C. Smith, the UCS Liqui-dator, has gone ahead with ordering steel and other mate-rials fo the four Irish shipping hulk carriers and a Braz dredger in the expectation the outstanding formal iss referred to hy Mr. Davies, shortly he resolved.

Had the guarantees been wi held, it would have resulted an immediate redundancy of workers at the Govan shipy and Linthouse steel factory ris to ahout 1,000 in the next cou of months. Goven has two of four herths empty, with a th one heing vacated on Novem 5 when a Reardon Smith b carrier is due to be launched

Mr. Hugh Stenhouse, chairm of the Government-backed Gov Shiphuilders, said last nigh "This is e confirmation of t Governmeot's intention of kee ing production facilities going Govan-Linthouse. We'll now getting down to the practicaliti of the feasihility study."

The study, heing carried o for the Government hy mercha hankers and Swedish experts expected to he completed i December. It cooceros th Govan-Linthouse complex as we as the Scotstoun yard.

## Fighting fund

UCS shop stewards intend call a mass meeting of all We of Scotland shop stewards ne week "to fight complacency and presumahly to raise add tional funds to keep tha "wo in" going.

So far ahout 1,100 people hav left UGS aince liquidation, abo 850 of them hy redundancy, rest voluntarily. About half them participate in the "wor in," receiving hardship mone from the UGS fighting fund.

[ملف من الداخل]

# Egypt prepares campaign to mobilise opinion

BY OUR OWN CORRESPONDENT BEIRUT, Oct. 25.

THERE ARE signs of an Egyptian-led campaign to mobilise the Arab world psychologically for the end-of-the-year deadline set by President Anwar Sadat.

Cairo to-day let it be known that a decision on whether Egypt will resume hostilities with Isreal will be taken at the end of the present Moslem Holy Month of Remedan, which ends on *November 18*.

The announcement was made by Mohammed Abdel Salam al Zayyat, Secretary General of the Central Committea of Egypt's State-controlled political organisation, the Arab Social Union (ASU). Mr. Zayyat was commenting on a state last night by Mr. Sadat that the "day is very near when the Egyptian people, and we with them, will take the conclusive decision which will affect our destiny and that of the generations to come." The President spoke in a message on tha occasion of the first meeting hy the newly-established local councils in the districts which aim at ensuring a measure of decentralisation of the Administration.

Radio Cairo, in highlighting Mr. Sadat'a message and Mr. Zayyat's comment, said the emphasis by Egyptian leaders is on the "nearness" of the decision *on the battle with Israel*. The radio made it a point to recall that 24 hours previously, Lt.-Gen. Mohammed Ahmed Sadek, the Commander-in-Chief, declared during a visit to the Suez front that the battle with Israel "is closer than many people think"

A leading newspaper here today, Al Hayat, reported that President Sadat has turned down an appeal by Yugoslav President Tito for an extension of the deadline. The Egyptian President was reported to have insisted during his meeting with the Yugoslav leader in Cairo last week the Middle East crisis must move towards settlement by end of the year whether peacefully or by war.

The current visit to Moscow by guerilla leader Yassir Arafat, which aims at ensuring new arms supplies for the commandos, had been arranged through efforts by President Sadat, according to informed sources, which *explained* that Cairo is eager, as part of its current mobilisation campaign, to re-establish the guerilla movemant as an instrument of pressure on the Middle East crisis. A month before, a commando delegation visited Peking for two weeks and was *reported* to have obtained a promise from Chinese leaders for further military assistance.

The most educated opinion here is that the Cairo drive is primarily for mounting enough pressure to make Israel's position more flexible on *political* settlement. At the same tima President Sadat wants Egypt and tha Arab world at large to ba ready if hostilities ara resumed by next January.

● **Our Cairo Correspondent adds:** The prosecution to-day demanded the death sentence against General Mohamed Fawzy, Egypt's former War Ministar, when ba went on trial before a revolutionary tribunal presided by threa military judges. He pleaded not guilty to charges of treason in conspiring to overthrow the regime of President Anwar Sadat last May.

# New Israeli bank chief favours spending cuts

BY OUR OWN CORRESPONDENT JERUSALEM, Oct. 25.

IN his first policy statement since the announcement of his appointment as Governor of the Bank of Israel (to succeed veteran David Horowitz) Mr. Moshe Sandberg, to-day came out strongly in favour of a cut-back in the expenditure of all Government departments including the Ministry of Defance. Such cutbacks are essential *to* prevent deficit financing in 1972-1973, he declared.

According to Press reports the Financa Minister Mr. Pinhas Sapir estimates expectabla income in 1972-73 at the equivalent of £1,500m. whereas tha budget submitted for approval by the various ministries aggregated £2,000m. If the next budget is not balanced it will result in runaway inflation, Mr. Sandberg warned.

Speaking on the occasion of leaving his current job of special adviser to the Minister nf Finance, Mr. Sandberg highlighted a number of outstanding features in the Israeli economy —including the shortage of workers which he estimated at 22,000. (A proposal was put forward this week to mobilise high school children for ten days citrus picking during the height of this winter's season since it is felt that drawing a very substantial additional number of workers from the occupied areas for this task would disrupt the economic life and development of tha areas.)

Mr. Sandberg also called for intensification of local pro*duction* for the defence establishment since the expansion of these industries would not only save foreign exchange and reduce dependence on imports but would also stimulate further development in the metal working, optical end electronics industry which are beginning to make a very substantial contribution to exports in both military and civilian life. Meanwhile the Knesset (Parliament) here to-day formally honoured Israel's elder statesman David Ben Gurion on the occasion of his 85th birthday.

## TANZANIA WARNS UGANDA AGAINST BORDER ATTACK

DAR ES SALAAM, Oct. 25.

TANZANIA to-day accused Uganda of trying to annexe part of its territory and warned that its forces would hit hard against any attack over their common border.

Latest threats by the Ugandan military regime showed it no longer recognised this international border, Mr. Jacob Namfna, Tanzanian Information Minister, said.

Reuter

## SHAH'S FEAST COST $16M.

By Our Own Correspondent

TEHRAN, Oct. 25.

IRAN PUT a price tag of $16.6m. on the cost of entertaining three score monarchs and heads of State at the 2,500 years of Persian monarchy celebrations 10 days ago. This figure includes $6.3m. for the tent city at the ancient winter palace of Persepolis, $2m. for publicity and $6m. for the building of the prestigious Shahad monument in Tehran. A further $2.3m. was spent on entertainment and a *dinner* that *included* 90 baked peacocks and quail eggs filled with caviar (the only Persian dish on the menu). Not included in the $16.6m. figure is the cost of hotel building, a sophisticated communications network and much-needed infrastructure around Shiraz and Persepolis — items Iran reckons will boost her tourist industry and development programmes. The statement came after reports in the foreign Press that the celebrations may have cost up to and over $100m.

# Yahya Khan appeals to U Thant

By Our Own Correspondent

KARACHI, Oct. 25.

PRESIDENT Yahya Khan has urged the United Nations Secretary-General U Thant to pay an immediate visit to India and Pakistan to discuss withdrawal of troops from country borders. President Yahya also suggested that United Nations observers should be posted on both sides of the border to suparvise such a withdrawal and maintain the peace.

His proposals were contained in a letter sent on October 21, the text of which was officially released to-day in reply to U Thant's offer of the United Nations good offices for the restoration of peace in the subcontinent.

President Yahya recommended the withdrawal of armed forces and artillery along all frontiers between India and Pakistan on both East and West to at least an agreed safe distance and perhaps even to peace-tima stations. At the same time be said that India was shelling Pakistan and this must stop.

President Yahya said a public statement by U Thant that be intended to visit India and Pakistan would be most desirable. A state of virtual war between Pakistan and India bad been in existence "since March 1," the President said.

The President emphasised the "gravity of the situation as confirmed by Indian leaders on October 19, threatening to occupy and bold tha Pakistan border cities of Lahore and Sialkot (in West Pakistan)."

Pakistan to-day claimed that 76 persons were killed when a mixed force of Bengals and Indian soldiers attacked Mymensingh on the north eastern border between India and East Pakistan. Several Indian soldiers and a large quantity of arms and ammunition were also captured, a military source claimed. The source also claimed that Indian artillery pounded the area.

● Reuter reports from Bremen: The 9.565-ton West German freighter *Falkenfels* now in Bombay is carrying four chests of hunting weapons and ammunition consigned to East Pakistan, a spokesman for the Hansa Line said on Monday. The sbip was reported from Bombay to have been prevented from sailing for Chittagong because Indian dock workers said it was carryinging arms for the Pakistan Army.

The Hansa Line spokesman commented: "the hunting weapons are destined for private dealers in Chittagong. Nobody could make war with such arms."

# GATT to hear plea for 'Japan Round' tariff cuts

BY OUR OWN CORRESPONDENT TOKYO, Oct. 25.

JAPAN hopes to win acceptance for a "Japan Round" of tariff reductions during the next meeting of the General Agreement on Tariffs and Trade (GATT) which is scheduled to open in Geneva on November 16, according to usually reliable sources bere to-day.

The Japanese would like to propose a package arrangement among GATT members as a means of countering the dangers of growing protectionism throughout the world as a result of President Nixon's dollar-defence programme. As the Japanese see it, the European Economic Community appears to be moving towards establishment of a regional bloc which would curtail trade with Japan.

With the U.S. taking a stand against the dramatic inflow of Japanese products and the West European countries protesting that they have no intention of allowing Japan to direct the resulting surplus to the EEC markets, Tokyo is beginning to panic.

It is becoming doubtful, however, that Japan's proposal will receive any encouragement, particularly since both the U.S. and the EEC countries are aware that the Japanese Ministry of International Trade and Industry and the Agriculture-Forestry Ministry are strongly opposed to further drastically reducing tariffs on manufactured goods and farm products in the near future.

## Stronger ties

Preliminary testing of the concept by Japan has revealed that the Western nations see the Japanese offer as merely another form of the "one-way street" which bas disrupted markets in North America and Western Europe over the past decade.

Still, it may well be that Japan will try to push the "Japan Round" proposal. In the event, Japanese Government officials favour an across-the-board tariff reduction of between 10 and 25 per cent. after adjustment of the tariff rates created by the "Kennedy Round" package.

Behind Japan's thinking on the chances of a "Japan Round" is the concern that, by the time Britain enters the Common Market, the Japanese must have much stronger trade ties with the European Community.

A "Japan Round" would, if accepted, go a long way toward prevention of regionalism in the world economy. It might also be a good way of circumventing the one major hurdle which has yet to be surmounted in increasing trade between Japan and the EEC countries.

Japanese trade with the EEC last year amounted to only about $2,300m. both ways. Only a meagre 6 per cent. of Japan's total volume of trade was with the Common Market nations and the EEC received less than 3 per cent. of its imports from Japan.

# Hong Kong SE row looms

BY OUR OWN CORRESPONDENT Hong Kong, Oct. 25.

A MAJOR row could erise soon in Hong Kong over the nature of a "Watchdog" body to regulate the Colony's stock exchanges, establishment of which has been proposed by the Company Law Revision committee.

The committee last month presented its first comprehensive report on company law reform to the Government. One of its principal recommendations was that an Advisory Board should be set up to establish ground rules for the stock exchanges.

It recommended a compensation fund, clearcut rules for the registration and qualification of brokers and the standardisation of working bours and fees. It did not, however, elaborate on the form which the board should take. It is understood that the question of the Advisory Board will not figure prominently in the current series of meetings of the Company Law committee. Apparently, the committee feels that the onus now lies with the Government to take the necessary steps to control the exchanges.

## More business

In the meantime, the Hong Kong stock exchanges have proposed the setting up of a federation of stock exchanges similar to the British model, to which all the Colony's exchanges would belong.

The proposal received only a lukewarm response, however, from the Far East Stock Exchange. The FESE was set up in rivalry to the eight-year-old HKSE less than two years ago because the latter was reluctant to expand to include naw members.

The FESE quoted all the HKSE listed stocks, but recently has attracted some listings of its own. It new does a larger volume of business than the HKSE.

The concept of a federation bad the added attraction that it would not run foul of another of the Company Law Revision Committee's proposals—that there should be no limit on the number of exchanges. At the moment there are three, the HKSE, the FESE and the smaller Kam Ngan. A fourth is planned soon in Kowloon and there is authorisation for seven.

Many market observers here are concerned that if the number of exchanges and inexperienced brokers is allowed to proliferate, the opportunities for malpractice will increase. There are only the most rudimentary rules regarding the qualifications of brokers at present.

The point has now been reached where market capitalisation of quoted companies is approaching $HK5,000m. and turnover on a single day on all three exchanges has topped $HK200m.

Essentially, the issue turns on whether, given the friction between the two leading exchanges they will be able to put their own houses in order or whether the Government will be forced to set up a semi-Governmental board with executive powers.

## Uganda cotton sold at higher prices

By Our Own Correspondent

KAMPALA, Oct. 25.

UGANDA'S Lint Marketing Board completed its current forward auction programme to-day, ward auction programme last week having sold over 105,000 bales of cotton—from the new crop which will be available for shipment from November onwards.

Prices have risen steeply over the six auctions and at last week's sale the reserves were up to 12 cents per kilogram above those of the previous sale two weeks ago. Satu variety was sold at 552 cents free on rail, and the longer stapling BPA variety was quoted against reserves ranging up to 605 cents.

As well, 5,006 bales of low-grade BR cotton was sold at the high level of 400 to 405 cents.

No further auctions are yet scheduled, but the Board is expected to reopen sales soon.

The Uganda Government has announced that cotton growers will receive one shilling 25 cents per kilo for raw seed cotton, an increase of five cents over last season, to encourage maximum production.

# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● RESEARCH

## Simple Rankine engine

PATENTS covering a new design of Rankine engine, of considerably simplified layout but still offering the low pollution characteristics of the class, have been granted to Dr. William Doerner, a research engineer of the Du Pont company by the U.S. Patent Office. The company has patented the design in most countries.

Rankine cycle engines use external combustion to heat a fluid which then expands to drive the engine. Laboratory tests at the company's central research department in Wilmington, Delaware, on a 20 hp engine have shown that several problems relating to size and complexity in the design of this kind of engine have been solved by the work carried out by Dr. Doerner.

Significant features of the new design include a cylindrical boiler and air condenser which rotate as a unit at a controlled speed. A turbine internal to these is driven in the contrary direction by a vaporised organic fluid under pressure.

The rotation of the condenser-boiler unit provides efficient heat exchanges in both sections. It ensures that fluid in an annular chamber is boiled by an external burner while it is held to the outer surface of the chamber by centrifugal force. Spead of rotation is 2,500 r.p.m.

The vapour from the fluid is forced out of the annulus and taken to a nozzle ring to drive the internal turbine which spins at 27,500 r.p.m.—in turn operating a drive shaft to the external load. Once the work has been done, the vapour condenses and the liquid which results is forced back to the ring-shaped boiler.

No external blower is needed to force air over the condenser and as a result the engine is quite and demands little power for this section of its operation.

Elimination of a separate pump for the return of condensate to the boiler is a big factor in reducing internal power consumption and simplifying the design of the engine.

Dupont built the laboratory engine to demonstrate the new approach and does not intend to go into manufacture itself. The company is seeking licencees and in view of the prevailing anti-pollution climate in the U.S., there seems to be little doubt that such clients will be found.

External combustion engines are at the focus of attention at the moment because they can be made to burn a variety of fuels and thus can become minor sources of pollution.

Dupont studies have shown that its design could easily be up-rated to 200 h.p. at the least and in this form — apart from static engine-generator sets, it could power marine engines, and fork-lift trucks

## Laser tests pollution

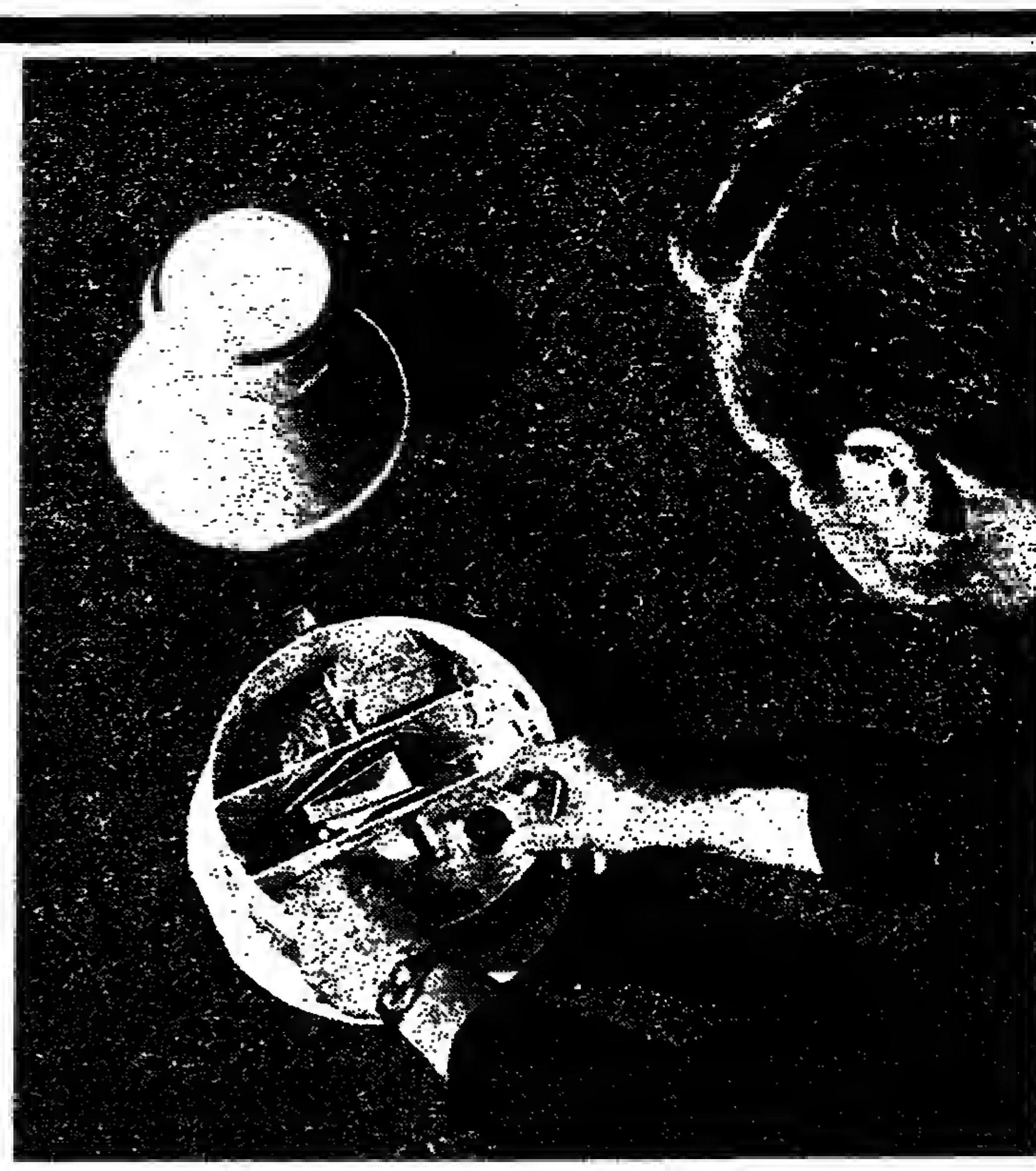
TAKING advantage of the fact that polluting materials in the air absorb laser energy, it is now possible to measure pollution as small as 10 parts per 1,000m.

The method gives an immediate reading of the amount of all the common pollutants except sulphur dioxide. It is equally effective on carbon monoxide and hydrocarbons from petrol engines, and the nitric oxides and dioxides from industrial chimneys.

The laser, in the method developed by the Bell Laboratories, Holmdel, NJ, U.S., is tuned to a specific frequency by changing the magnetic field in which it works. Its beam is led through an opto-acoustic absorption cell containing the air sample. The beam is tuned to the specific frequency of the pollutant for which the test is being made.

Any of this pollutant in the sample absorbs energy from the beam. This absorbed energy results in an increase in temperature and pressure in the absorption cell, and the increase is read by a transducer in the cell which generates an electrical signal. The increase and thus the strength of the signal are directly proportional to the amount of polluting material present.

A typical absorption frequency is that for nitric oxide, which takes in energy if the laser is radiating waves of five to six microns length. No other pollutant will absorb energy of this frequency.



Fine control of machining tolerances to 0.13 mm were essential for the fabrication of this rain gauge, which is designed automatically to collect rainfall data, and may be left unattended for several months at meteorological stations. The unit is in two sections—base and collector funnel. The base contains the tipping bucket mechanism, timing clock and battery, and a tape recorder, giving readings suitable for automatic processing and analysis. The collector funnel is available in two sizes, 150 and 750 square centimetres. The design was tested in a wind tunnel to preclude splashing and to cause minimum disturbance to airflow across the collector mouth. The base and funnel are made in ICI's Perspex by D and J. Plastics (Croydon), and the gauge is made by The Plessey Company.

● INSTRUMENTS

## Torsion is shown on the graph

A TORSION testing ma[chine] developed at Bristol Unive[rsity] is being marketed by Cha[...] Madan of Broadheath, A[ltrin]cham, under licence from National Research Develop[ment] Corporation. It draws a [graph] of torque against twist whi[le the] specimen is under load and [from] this the whole shear stress/[strain] relationship can be quickly [and] easily derived. There is gre[at] interest in the torsion testi[ng of] materials and the company [has] already sold a number of [this] type machines.

Shear stress/strain rela[tion]ships of a ductile material, [such] as steel, are more important [to the] designer than the tensile st[ress/] strain relationship. How[ever,] while there are many te[nsile] testing machines in general [use] for routine factory testing, comparatively compli[cated] torsion testing machines, [from] which the shear relationshi[p is] derived, have normally only [been] used in laboratories. The machine, invented by Prof. J. L. M. Morrison of Bri[stol] University, is a consider[ably] simplified design, which red[uces] the time taken to carry out [a] torsion test and automati[cally] plots the torque/twist cha[rac]teristic of a specimen piec[e of] the material under test.

An electric motor drives [one] end of the specimen throu[gh a] gearbox. The other end of [the] specimen is attached to [a] previously calibrated cylind[rical] bar on which an electrical st[rain] gauge is fixed. The strain g[auge] is connected to a pen record[er to] record the torque on [the] specimen and the gearbox o[utput] shaft also drives the chart of [the] recorder to provide the t[wist] signal.

In this way a graph of tor[que] against twist is produced [and] since the twist of the speci[men] in the elastic range is two ord[ers] of magnitude lower than in [the] plastic range, the gearbox [has] widely-spaced ratios to allow [for] this. Important practical val[ues] such as the limit of elasticity, yield stress, the ultimate sh[ear] stress and the twist at wh[ich] failure occurs, are also record[ed].

The machine is easily c[ali]brated and the stress/str[ain] curve can readily be obtained [by] a simple graphic method fr[om] the torque/twist curve.

● METALWORKING

## Controls drilling

TELEMECANIQUE has developed a complete hardware and software system to generate, automatically, a punched tape for the control of printed circuit drilling machines.

It is made up from a co-ordinate table with inductosyn rulers to determine the X and Y co-ordinate of the printed circuit drawing. A Telemecanique T 2000 small computer receives the X and Y co-ordinate information through a special tracking pen.

The T 2000 software automatically generates a paper tape on a Teletype connected to the computer. This paper tape is then directly fed into the company's NUM 330 numerical control unit, which runs the machine tool for drilling the printed circuits.

Telemecanique, which operates from Henwood, Ashford, Kent, has also announced the T 1000 as the latest addition to its range of industrial automation systems.

The T 1000 is a mini computer with "midi" capabilities, being completely compatible with its larger predecessor and able to utilise all the program library available to the T 2000.

The system offered to a customer can be tailored to suit each different application because of the modular design. In this each sub-assembly, such as the processing unit, read/write memory and the interrupt system are all interconnected by a common bus.

The central processor uses a 20 bit word with a read/write core memory expandable from 2 K to 16 K in 2 K units. Cycle time is less than 1.2 micro-seconds.

A read-only memory of 32 bit word length replaces part of the central processor logic and contain micro-instructions for the management and processing of the main program held in the read/write memory.

## General purpose blowpipe

DESIGNED to operate using compressed air and either natural or town's gas, is a blowpipe intended for assembly line work and general heating applications in the motor and glass-making industries, garages and general workshops.

The blowpipe has an aluminium body and plastic handle, with a lever operated main air valve, and air and fuel gas trimming valves. There are two standard versions, known as the Saffire Gasmaster 16K which gives 50,000 btu/hour and the 2K giving 6,000 btu/hour. A 6K version giving 20,000 btu/hour is available to special order.

The British Oxygen Company, of Hammersmith House, London, W6, makes the blowpipe.

## Plate shears

HYDRAULIC plate shears for cutting steel, stainless steel, aluminium and hard copper sheets up to 3 mm thick, accommodating plates up to 2080 mm wide, are available from Lester Brown Machine Tools, Beyton Road, Exhall, Coventry, which is marketing the Von-Arx Model HSD-3 in the U.K.

The shear can operate continuously or in single strokes—two strokes lengths are available. Working with the shorter stroke avoids any sheet damage when cutting extra long strips and increases the number of cuts per minute. Stroke speeds are up to 48 per minute at full working length and 58/minute at reduced working length. The shear works on a swing beam cutting principle. The cutting action is controlled by a pedal on a wander lead.

● COMPUTERS

## Burroughs a winner in Scotland

FIVE towns belonging to the new towns group of Cumbernauld, East Kilbride, Glenrothes, Irvine and Livingston have clubbed together to buy £1m. worth of computing equipment from Burroughs to be shared by the participants.

It is intended to use as the central machine a B3500 and to have, in each centre in the five towns, a TC500 intelligent terminal linked to the central unit over private Post Office lines.

This is a significant move into the shared facility area and though it is not the first, the fact that the five areas are so to speak on an equal footing is extremely interesting.

All the terminal units will have access, through the big machine, to a very large file of central information. The B3500 will start off with 90,000 bytes of core and 40m. bytes of main memory in disc files and its data base will be geared to storing information on every aspect of the establishment and development of these new towns.

Access to this information will take a matter of seconds and the data will be used in such work as highway planning, landscaping, architectural design and in general administration.

The terminals will be used for financial and administrative enquiries in real-time as well as for the direct input of data to file and replies from the central unit. But architects and engineers also will be able to use the central machine direct from terminals in their own offices, these being of the tele-typewriter design.

Another snippet of news from Burroughs, this time in the U.S., will bring good cheer to the hearts of the banking sector sales force in Britain. It is that the Federal Reserve Bank of New York, largest of the 12 U.S. Government FRB's, has ordered a B6700 data processing system like Barclays and Midland banks in Britain. The New York branch is to use the equipment on research and statistics, handling an enormous flow of regular reports.

## Finds the best route

SOLUTIONS of problems in depot-siting, fleet planning, vehicle scheduling, amenities location and town planning, are critically dependent on the accuracy of measurements of time and distance.

A new package from M. J. Bevan of Bancroft Court, Hitchin, called "Roadnet," provides this information. This is a suite containing a databank of all significant road linkages in the British Isles. These roads are classified into seven jurisdictions to enable differentiation between travel speeds. The suite will produce from this databank the minimum travel times and mileage between all pairs of points in a set of origins and destinations.

To do this it needs only the National Grid reference co-ordinates of those points, and the speed for each jurisdiction of road that may be used in the trips intended.

An updating program is supplied for processing revisions and also for enabling clients to create temporarily amended road net-works for special applications. Some examples are the deletion of all links with bridges of clearance less than a given height, or of icy roads, or the creation of proposed motorway extensions to evaluate their effect on a given problem.

Philosophy behind the system is that all parts of an area that are not actually roads are barriers to a roadbound vehicle. So the designers see more sense in coding all roads rather than a bare minimum of barriers and, of course, the cost of computation falls considerably.

## Logs one hundred channels

AN event logger that can scan each of 100 channels 1,000 times a second at relatively low cost has been put on the market by Sturge Automation of Lifford Lane, Birmingham B30 3JP.

The main application for the machine, which is called Statalog, is expected to be in industrial control rooms and plants. It will record machine operation, cycle times, stoppages and idling time, giving an automatic log of plant utilization and efficiency. A 20 character-line per second print-out identifies in plain language or clear abbreviations, the time, the item of plant and the change that has occurred.

A change of state produces an audible and visible alarm and the scan is stopped. When the print out is completed the scan restarts automatically and the changed state is held in core storage until a further change occurs.

Any event that happens to occur during the print out is stored until the scan recommences. Print-out format is also held in the core store and can be reprogrammed without wiring changes or expensive ancillary equipment.

Inputs to the alarm scanner can be from the plant direct or from analogue measurement signals through plug-in interface units.

The system can be supplied as a complete package mounted in a standard 19-inch rack cabinet 5 feet high and 2 feet deep or as seperate printer, scanner, and clock units.

● ELECTRONICS

## Brighter flying spot scanner

THE ability to scan negative colour film in TV telecine operations and reduced setting up time of colour film scanners in general are advantages claimed for a newly introduced high brightness CRT for flying spot scanning from EMI Electronics, Hayes, Middlesex.

The tube, called the MX69, employs a new phosphor of extremely fine texture (two to five micron grain size) settled by a special process to avoid clumping, giving a screen with negligible noise.

The brightness is claimed to be nearly twice that of conventional zinc oxide tubes under focused conditions for equal current and voltage. It can, says EMI, give a very satisfactory performance at a reduced voltage with consequent reduction in X-radiation.

The phosphor is also claimed to have much less change of brightness with focus than zinc oxide and hence shading due to slight change of focus is minimized.

The tube has a diameter of 125 mm and has been developed specially for negative colour film in 35 mm and 16 mm film scanners.

## ITT alloy plant on stream

ITT'S plant at Harlow for producing high quality nickel-based alloys for the electrical and electronics industry is now in operation.

Unlike most plants of this kind, which use vacuum melting techniques, the Harlow process uses a recirculating hydrogen furnace. The powder from which the alloy is to be made is mixed with additives in a revolving drum and then formed into blocks. These are sintered at about 1,300 deg. C in a low pressure recirculating hydrogen furnace where the powder is fused into metal. The blocks are rolled to the required thickness and then slit to customer requirements before shipment.

ITT points out that the capital cost for the hydrogen process is relatively low and the equipment is more flexible. Alloys other than nickel-based ones can be produced, as well as sintered metal parts from powder. The company also claims that yields can be up to 90 per cent. as opposed to 70 per cent. in the vacuum melt processes.

## Looks for drop-outs

A MACHINE able to test data magnetic tapes at 180 inches per second for their recording capabilities has been put on the market by Computer Ancillaries, of Radix House, Central Trading Estate, Staines, Middlesex.

Called the model 300, it will "test" and "certify" tapes for 556, 800 or 1600 bits per inch data densities for seven- or nine-track operation and across the whole width of the tape.

In operation the machine first removes any data on the tape, and then detects drop-out and edge damage errors in a single pass. Any detected errors are automatically rechecked up to twelve times to confirm their presence, after which they are classified as temporary or permanent.

The machine will count the number of errors it encounters when it is operating in its continuous "test" mode. In the "certify" mode it can be set to stop automatically and identify (after retrail) a permanent error.

Facilities are incorporated into the machine to clean the tape both before and during testing.

● FINISHING

## Polishing aluminium

TRAVELLING polishing be[d] machine, for polishing aluminiu[m] architectural components, ha[s] been developed to replace sta[n]dard reciprocating tables an[d] will occupy only half the usu[al] space.

The machine has a fixed tab[le] 28 feet long and will be use[d] to polish long aluminium doo[r] and window sections prior t[o] anodising. The travelling polis[h]ing head and its self-containe[d] dust extraction unit, is supporte[d] on trolley bases moving o[n] needle bearing cam followers o[n] a ground steel track, which e[x]tends 10 feet beyond the end o[f] the work table.

Each trolley base is fitted wit[h] anti-crabbing and anti-lift roller[s] and travel power is supplied b[y] a ¼ h.p. dc motor.

A polishing bead incorpora[t]ing spring loaded fully floati[ng] characteristics is fitted, driven b[y] a 15 h.p. ac motor and carryin[g] a 24 inch wide polishing mo[p]. The machine, built by Joh[n] Hawley and Co. (Engineering) of Green Lane, Walsall, is con[trolled] by one operator.

*● By agreement between th[e] Financial Times and the BB[C] information from The Technic[al] Page is available for use by th[e] Corporation's External Servic[es] as source material for its ove[r]seas broadcasts.*

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SCIENTISTS' PAY

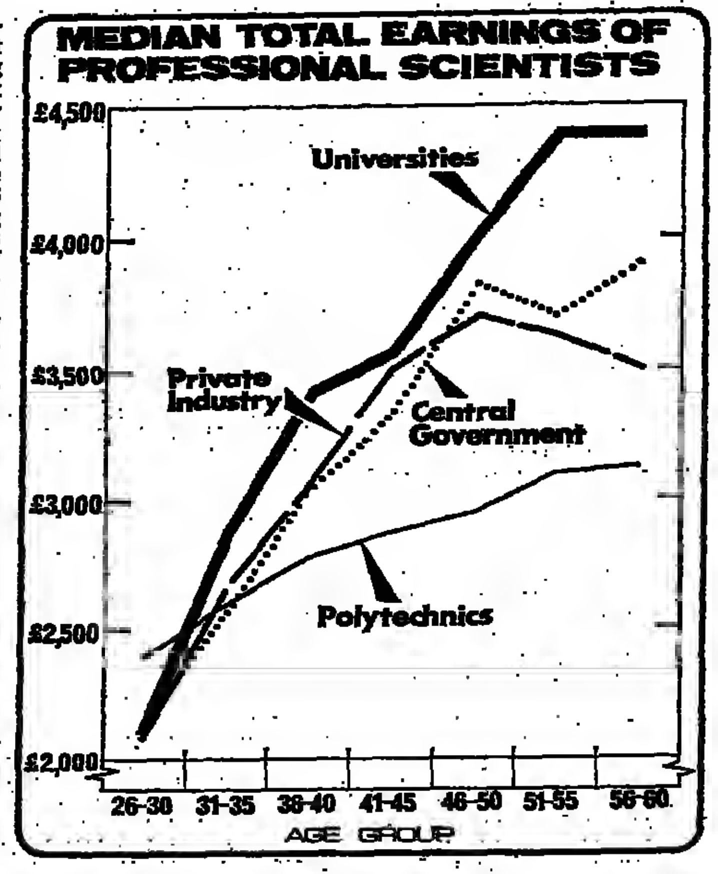
# Academic world tops list

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

ANYONE who thinks of academic scientists as dedicated but relatively poor scholars, is living in the past. It now seems that earnings levels are mainly highest in academic life not just for professionally qualified chemists—as disclosed in the Financial Times on October 16—but for all scientists belonging to the five professional bodies which constitute the Council of Science and Technology Institutes.

This year the Institute of Biology, the Institute of Mathematics and its Applications, the Instituto of Physics, the Institution of Metallurgists, and the Royal Institute of Chemistry all surveyed the earnings of members working in various jobs in different sectors. More than 30,000 professional scientists gave information, representing nearly two-thirds of the total mambership.

Tho combined results, previously unpublished, show that in general the academic world takes tha cake. The chart with this article, for instance, traces tbo modian earnings as at January 1, 1971, of the fivo bodies' "associate" members—tho highest level of membership awarded primarily for examination results.



## Middle man

Tho chart therefore reflects tho total earned incomes, from all sources, of peoplo with similar professional qualifications, but employed in different walks of working life. The "median" figure represents the earnings of the "middle man" in each group. For example, the group of 46-50-year-olds working in universities is made np of the associate-level members of all five bodies who fit this description, whether they are professors or lecturers. Of these, half earn more than tha median of £4,050, and half earn less.

The total earnings of tha "middle associate-level scientist" in university work exceed those of his similarly qualified counterparts elsewhere from the age of 31 onwards. The official salary scales for academics do not seem unduly generous. They run from about £1,500 to aronnd £3,400 for lecturers, to a maximum of about £4,400 for senior lecturers and readers, and to an averaga of around £5,600 for professors.

So the immediately apparent explanation for the "middle" academic professional scientists' lead is that they are able to do external work, such as consultancy—particularly in the long vacations which, togethar with virtually total job security, are the outstanding fringo benefits of an academic career.

However, the fact that tha university madian continues to gain after the age of 45, when the others level off, probably bas another explanation. Often academic sciontists who have not previously joined their professional body do so when they approach professorial rank, which gives a high-income bias to the university medians in the older age groups.

The widely held belief that a professional scientist who enters industry instead of taking a university post is bound to earn more money, is definitely refuted by these figures. True, the scientist who gets to the top in industry will earn more than the top academics. To do this, however, the industrial man—unlike his counterparts in universities—would have to cease being primarily a scientist.

Of all the professionally-qualified scientific staff employed in private industry, companies saem to place the lowest value on the professionals who want to spend their working life actually doing research or other scientific work, as distinct from managing. Tha evidence here comes from a break-down by types of work of the Royal Institute of Chemistry's survey results; no comparable figures are available for the five professional bodies' surveys as a whole.

## Research work

The RIC's statistics show an impressively high median for tha professional chemist who has gone into general management. The "middle man" in this category is earning £3,170 at 31-35 years old; £4,000 at 36-40; £4,950 at 41-45; £5,310 at 46-50 and at 51-55; and £6,000 at 56-60.

Next highest in the industrial ranking is the professional who manages research and development work. The median earnings here are £2,940 at 3[...] £3,490 at 36-40; £4,000 at 4[...] £4,280 at 46-50; £4,350 at [...] and £4,800 at 56-60. The med[...] for similarly qualified pe[...] managing other forms [...] scientific and technical work [...] lower—£2,660 at 31-35; £3,0[...] 36-40; £3,450 at 41-45; £3,6[...] 46-50; £3,760 at 51-55; and £3[...] at 56-60.

The figures for the act[...] workers are much the same [...] those employed in reseach [...] development departments [...] those doing other scientific [...] technical jobs. The professio[...] research chemists' median ea[...] ings are £2,500 at 31-35; £2,7[...] at 36-40; £3,150 at 41-45; £3,1[...] at 46-50; £3,270 at 51-55; a[...] £3,180 at 56-60. The comparab[...] figures for the "other" worke[...] are £2,640; £2,630; £3,240; £3,1[...] £3,030; and £2,880.

Industrial companies have c[...] back on research activity and [...] have few jobs available [...] young science specialists. [...] if companies want to fill the [...] jobs with the academical[...] brightest science graduates, [...] earnings levels shown here [...] a definite obstacle to industr[...] recruitment plans.

Top honours graduates fr[...] university science courses [...] tually all share the same id[...]—to spend their working li[...] doing scientific research. [...] such people the message of t[...] earnings surveys is clear: acce[...] any offer of a further course [...] education that could lead to [...] university career in science.

## Public sector

Failing that, the next b[...] earnings prospects—a good d[...] lower—are in the public sec[...] There the median figures f[...] a professional chemist doin[...] research work are £2,560 at 31-3[...] £2,880 at 36-40; £3,290 at 41-4[...] £3,900 at 46-50; £3,320 at 51-5[...] and £4,000 at 56-60.

Below the public sector come[...] private industry. However, eve[...] "on the bench" research wo[...] in commercial companies seem[...] to offer professional scientis[...] better earnings prospects than [...] does teaching in the polytechnics. It is hard to understand, there[...]fore, how the Government expects the polytechnics to become the equal of the universities in public esteem, especially since last week's pay rise for polytechnic lecturers still leaves their salary scales well behind those of university lecturers.

# Dirty restaurants closure urged

DIRTY RESTAURANTS should be closed rather than fined up to £100 as at present, says a modical officer of health. Dr. Joseph Briscoe-Smith, MOH for the City of Westminster, says in his annual report: "Tbo closure of a highly profitable restanrant would bo more salutary than the present maximum fine of £100 under food bygieno regulations which could, in somo instances, mean littlo mnre than a slight drop in profits . . . dne to a wet week-ond.

Ho says food is prepared at some catering premises in Westminster "in conditions which leave much to be desired.

"The satisfactory premises tend to ba morged with thoso that are not, and this results in a picture of many unhygionic and unsatisfactory premises being used for the preparation and salo of food."

This was the situation despite continuous efforts by tha inspectorate to maintain acceptable conditions.

Dr. Briscoe-Smith blames much of the problem on those engaged in the day-to-day operation of the business. There are far moro vacancios than the labour force of lower-paid and often casual catering worker can fill, he says.

## Lower standards

"It follows that a dissatisfied worker will movo elsewbore taking bis attitudo to his daily task with him, with the outcome that at the new premises his lower standard will continue to prevail. This situation is accentuated by the fact that many catering premises form part of vast impersonal complexes."

The MOH complains that under existing legislation a magistrate can *disqualify* a caterer from carrying on bnsinoss for up to twn years.

"But the caterer's wife, or anybody else, may carry on the business under the sama conditions wbich existed before disqualification."

# Law Society backs move on compulsory purchase

THE LAW SOCIETY has joined other professional bodies in criticising the unsatisfactory law on compensation for compulsory acquisition.

"This is a problem which has existed for some time although it has been highlighted in the case of the houses at Hendon (North Loodoo) affected by the M1 extension where no compensation was available tn houseowners," it says in a memorandum published yesterday.

## Blight

The society recommends an entirely new approach to the problem not only of compensation for compulsory acquisition hnt also for the effect of blight on property which is thought likely to be affected by compulsory acquisition but for which plans are not completely formulated.

It recommends that in addition to receiving market value and compensation for disturbance, the dispossessed owner should receive a honus.

Although the amount of compensation paid by local authnrities would be greater the society feels the amount saved in administrative costs of negotiations and, in particular, public inquiries, would largely offset any increase in compensation.

The society also wants to see compensation paid by public authorities which carry ont operations on adjoining land which, in the case of a private owner, would constitute a nuisance but which, under the law as it now stands, give no right to a landowner who suffers.

Alternatively the landowner should have the right to make tha public authority purchase his land.

## Automatic

Owners of a house which is partially affected by compulsory acquisition, provided the house is within the rent act limits or is a single unit of occupation, should have an automatic and unqualified right to insist that their whole property is purchased by the authority.

Tho society says that although tho authorities' initial expenditure might be increased, the problem would be one of cash flow only.

Properties acquired would be available for resala when work was complete and the net cost would not be significantly greator than at present.

# Events

## To-day

PARLIAMENTARY BUSINESS—

House of Commons: Fourth day of debate on the U.K. and the European Communities.

House of Lords: Town and Country Planning Bill, Commons amendments; first of three-day debate on British membership of the Common Market.

SOCIETY OF INVESTMENT ANALYSTS, meeting to be addressed by Mr. R. C. Hale, managing director of Averys, at the Great Eastern Hotel, E.C., 12.15 p.m.

COMPANY MEETINGS—

AMALGAMATED ROADSTONE, 15, Stanhope Gate, W., 12.45. (Chairman, Mr. C. J. Mortimer.)

BROTHERHOOD (PETER), 21, Tothill Street, S.W., 12. (Chairman, Mr. W. Gardner.)

CONSOLIDATED SALAK RUBBER ESTATES, 5, Queen Street, E.C., 11. (Chairman, Mr. H. B. Hussey.)

EAST ASIATIC RUBBER ESTATES, 21, Mincing Lane, E.C., 12. (Chairman, Mr. H. T. Karsten.)

NEDEEM TEA, 37, Mincing Lane, E.C., 3. (Chairman, Mr. N. C. Lance.)

PUNDALOYA, 13, Rood Lane, E.C., 2.15. (Chairman, Mr. C. H. Bois.)

RAMAR TEXTILES, Hyde Park Hotel, S.W., 12. (Chairman, Mr. H. Howard.)

SCOTTISH ENGLISH AND EUROPEAN TEXTILES, Essex Hall, W.C., 12. (Chairman, Mr. J. H. M. Mackenzie.)

STOCKLAKE HOLDINGS, Winchester House, E.C., 12. (Chairman, Mr. C. K. H. Hill-Wood.)

WARNFORD INVESTMENTS, 38, Aldermanbury, E.C., 3. (Chairman, Mr. S. Sebba.)

WOOD BASTOW, Nottingham, 12. (Chairman, Mr. J. Wood.)

# oviet grudge against U.K. ould be long-lasting

Y MOIRA CUNYNGHAME

MOSCOW, Oct. 25.

O-SOVIET relations are lly agreed here to have to their lowest level for ears. Gradually, however, ndency has been to let the e with Britain rest, now the Russians have an- ed their counter-measures e mass expulsion of the diplomats and officials London last month.

there are still signs that w will not easily forget the t to its international repu- , and that it will be a long before relations are as l with Britain as they are n this week—with other ern countries. Pravda, the newspaper, once again ibed Sir Alec Douglas- e, the Foreign Secretary, as old-war advocate."

is well known that the pre- anti-British campaign could uietly dropped if this would a purpose. The obvious ns would be an improve- in bilateral relations and ased British support for a pean Security Conference, h is still the Soviet Union's goal in Europe. The ous approach made so far Britain is seen here as ely better than an outright al, and the measures against t espionage were seen as ect snub against this policy. wever clear the British nment made the reason for tion, and however much the sts admit its justification in te, the Soviet Government was bound to consider it politically motivated.

The Soviet Union will do all can to gain British support for a European conference, but it seems likely to vent its wrath in other ways, and highly unlikely that it will hasten to take consiliatory steps. It is quite on the cards that more British diplomats or journalists, who have not yet been affected, will be expelled during the coming months. Most people here agree that the Soviet counter-measures, which were determined by a strict sense of protocol, did not reflect the extreme anger the Russians felt, and that they have not yet drawn a veil over the affair.

Nothing will be done to endanger the convening of a European conference, but this leaves the Soviets a fairly free hand.

## Conference

The main target for Soviet vengeance could be British exports to the Soviet Union. In spite of the Soviet affirmation that trade is trade, politics is politics, and the one shall not affect the other, it is well known that trade is used to boost political aims and vice-versa. It is said that a group of experts is now at work in the Ministry of Foreign Affairs here rechannelling import orders marked for Britain to other countries, mostly West Germany and France. This would have the double effect of further promoting Soviet relations with other countries while slighting Britain.

The likelihood is that the Soviet Union will buy as much from other countries as is feasible while taking care to maintain its present sales to Britain, which run at about £200m. a year. British exports had already fallen before the deterioration in Anglo-Soviet relations, and total exports this year are expected to be worth £80m. to £90m., compared with roughly £100m. last year.

## Co-operation

The Soviets would like the European Security Conference, which they hope will bring them increased technological, scientific and economic co-operation with the West, to take place before the Common Market is enlarged and consolidated. There, also, seems to be genuine concern here at some of the political arguments put forward in Britain for entry into the EEC, and the Soviet Union will undoubtedly play up any criticism of the "Russian bogy" theme by the Labour Opposition in the Parliamentary debate.

The Soviet authorities clearly intend to ostracise Britain in every field they can. How long this face-saving revenge will last will depend partly on the progress made towards a detente in Europe and the conference they so desperately want. Meanwhile, British exports will suffer and, in view of the increased competition for the Soviet market, it will be a long time before the loss is recovered.

WINE

BY EDMUND PENNING-ROWSELL

# A report on the French Vintage

In the leading French wine districts the results of the 1971 vintage seem more likely to be admired by the amateurs than by the professionals. For the wines look like being short in quantity, good in quality and expensive. The amateurs can wait to make their personal selection, but the wine trade here, probably with large quantities of unsold 1969s and 1970s on their books, may have to find the money relatively quickly to buy the third vintage in a row; an uncommon occurrence.

About the shortfall in quantity there is no question. After an early spring, hopes of a large crop everywhere, to follow the huge harvest last year, were dashed by a poor flowering of the vine in a June as wet and cold in France as it was in Britain. As a result there was widespread *coulure*, when the flowers or tiny grapes drop off. After that nothing could alter the prospects of a small quantity.

However there followed an almost surprisingly fine summer, with July and August wonderfully sunny and warm, though August was marred as it nearly always is, by hailstorms in some areas, notably in the white wine areas of the Côte de Beaune. In September there was some damaging hail in the Graves area of Bordeaux, as well as moderate rain in the second week, and more violent storms about a week before the vintage began, generally on the 27th. Yet these latter probably did more good than harm in refreshing the dry vines and swelling the grapes, which were small.

The dry August and the fine, sunny September certainly saved the vintage, apart from the Rhône Valley where the weather is more dependable. This fine weather applied as much to Alsace in the north-east as to Bordeaux in the south-west, whose Atlantic - dependent climate results in sudden changes. This variable climatic condition accounts in part for the variations in results from the Gironde, the largest fine-wine area of France.

Outside Bordeaux the quality of the 1971 vintage seems not in doubt. When I was in Champagne early in the fourth week of September, not only was the short vintage almost over, but there was already no uncertainty about the result: a fine year, likely to be a vintage one, but dreadfully short in quantity. In Alsace the crop deficit was not quite so marked, but the fine quality is assured.

In Burgundy too there was no scepticism about the results of a vintage still in its last stages. One distinguished shipper breathed to me a possible comparison with 1929, another with 1961: magic years in the list. As always, a caveat must be entered over burgundy, which varies greatly from grower to grower and merchant to merchant. The market had not really opened when I was there, but everyone was expecting higher prices, and Pouilly Fuissé, whose average price per cask had risen from Frs.600 in 1966 to Frs.1500 in 1970, was being notched up at Frs.2000 as the vintage closed. Caused by U.S. demand for a wine in limited supply, this rise is not a fair indication of the movement of prices. Yet at the other end of the fine-wine scale what will be the price of Montrachet, which sold for around Frs.10,000 in 1970, but this year was ravaged by August hailstorms, which tore ripening bunches of grapes from the vines? It will be interesting to observe the quantities offered and the prices paid at next month's Hospices de Beaune sale. Anyhow it seems fairly clear that '71 will be a vintage for the burgundy drinker, especially perhaps for the red wines.

For beaujolais, the quantity situation is less bad than further north, for the crop was described to me as "a small average." Scarcely less of a problem than *coulure* are the voracious *beaujolais nouveau* and *beaujolais de l'année* buyers, who by exploiting the fashionable demand for this half-weaned wine force up the price and absorb supplies that might be more traditionally treated. However there is no doubt on the spot that '71 beaujolais will be excellent; a wine to keep, if anyone will give it a chance.

The Rhône crop will be good and sufficient to go round, and no doubt the "importers" of Beaune and Nuits St. Georges will secure their ration to "fill out" the cheaper blends of Côte d'Or wines.

In Bordeaux the situation is, as always, more complex. Apart from weather uncertainties, the problems of assessing a vintage there derive partly from the number of grape varieties grown. Whereas in Burgundy there is only the Pinot Noir (or Gris) for red wine, while Beaujolais depends on the Gamay, in Bordeaux there are the Cabernets Sauvignon and Franc, the Merlot and the marginally employed Petit Verdot and Malbec. A combination of several of these plays its part in the blend, and their comparative performance varies year by year. Only in a year like 1970 do all the grape varieties reach concert pitch, although even then this was regarded as a particularly good Merlot year.

This year the Merlot suffered particularly badly from *coulure*, so the balance may have been upset. Consequently I met growers and merchants who thought that the wines might be rather hard, others that a proportion of the grapes were not fully ripe and the alcoholic strength on the low side. (As usual *chaptalisation* was authorised, and the must could be sugared legally, as it has every year from 1962 onwards). On the other hand there were experts of no less authority who let drop the words "perhaps another '61," which could not be higher praise.

As usual, much will depend on whether a proprietor picked early in the prevailing fine weather at the beginning of the vintage about the 27th, or, gambling on a continuance of the fine weather, waited for a little more maturity, a higher strength and a reduced acidity. This year again the gamblers won, although when discussing dates, one has to know what part of the huge Girondin *vignoble* was concerned, and what grapes varieties were being picked. St. Emilion and Pomerol, with a large proportion of early-ripening Merlot, commonly pick a day or two earlier than the Médoc where Cabernet Sauvignon predominates.

It is an agonising decision every time. This year, for example Palmer picked its Merlot early and paused for the Cabernet. Rausan Ségla, just opposite Palmer, started on the 30th, a day also favoured by such leading châteaux as Latour, Mouton Rothschild and Haut Brion. The last of these, with an army of 200 pickers, had finished by October 4, while Mouton was through by the 10th. Yet Lafite, traditionally a late starter, only sent the *troupes* into the vineyards on 4th, hoping to find *surmaturité*.

In spite of the imponderables, 1971 will certainly be at least a reasonably good claret vintage, though one that may take careful selection. Classed growth prices might well start at the level of the second *tranche* (slice) of the 1970s, that is higher than the opening prices last year. Even if they do not sell out, the owners will welcome the chance to accumulate a little stock. It is the *crus bourgeois* growers that need our sympathy, and maybe our orders; a plentiful '70 does not make up for a poor '68, and short crops in '69 and '71.

Sauternes prospects are not clear, for heavy rain in the middle of what is always a late vintage there may have dampened what previously were high hopes. Certainly the Sauternes district, where several classed growth châteaux have recently changed hands, is in need of a succession of good vintages.

Written while in many cases the wine is still in the fermenting vats, this must be only an interim report, a forecast not a firm view. It is no time yet to talk up and buy up the '71s: that can be left to the *beaujolais nouveau* boys.

# How actuaries see pension plan

Y ERIC SHORT

MOST encouraging aspects he White Paper on pensions the stress on the development ccupational schemes and the sible and flexible way in ch it is tackling the problem ntrol of these schemes, said E. F. Rogers last night at the itute of Actuaries in London. was opening the discussion the Government's pension posals.

ut, he said, a period of ility and consolidation in the ial security system was needed secure the healthy and rapid ansion that should be pos- le within the proposed frame- rk.

## mplicity

f this was to be achieved, the oposed system must be accept- le, not only to those already in cupational schemes but also to se many millions who looked rgely to the State for their tirement pensions.

Mr. Rogers outlined the frame- rk of the proposals and wel- med their simplicity compared th the plan from Richard ossman, the former Labour cretary for Social Services. e change from the existing flat e to wholly earnings-related ntributions was long overdue ce the former was an unduly avy burden on the lowest id.

While these proposals would pear to offer a satisfactory sis for the healthy expansion occupational schemes, much would depend on the flexibility and imagination with which the proposed Occupational Pensions Board interpreted its responsibilities.

Mr. Rogers said that in making the Government - sponsored reserve scheme fully funded an entirely new approach to compulsory pension provision was being made about which he had several reservations.

First, he was concerned with the basic problem of improving benefit levels, which would be extremely slow under the reserve scheme.

Second, the contrast between this scheme and the benefit patterns of most occupational schemes would present some difficult problems for recognition.

## Pressure

Finally, there were the dangers of possible political pressures which could be brought to bear not only for improving benefit levels or reducing contribution rates beyond those actuarially acceptable, but also on the investment of the funds accumulated by the scheme.

It was estimated that such funds would reach £5,000m. within 25 years. As such, he concluded, it would be a powerful economic force, and control of it could be highly attractive to future Governments bent on pursuing particular social or economic ends.

HOME CONTRACTS

# Services orders worth £3.4m. for Haden Young

Haden Young has won four ntracts worth a total of £3.4m. e largest, at £1.9m., is for chanical services at the new ntral Hospital being built on e site of the Belfast City spital. Another large order is r mechanical and electrical rvices worth £1m. at the new nsington Hilton Hotel in lland Park Avenue. Work on e Kensington site has already rted and project completion is heduled for spring, 1973.

The third contract, worth 00,000, is for the installation of echanical and electrical services a new office development in evenage, for the Manufacturers' fe Insurance Company. Lastly, e company is to supply echanical services to the Insti- te of Clinical Science for the iddlesex Hospital Medical hool at a cost of £210,000. (£150,000). Work on the latter contract will commence in November.

★

Limmer Holdings has been warded contracts worth more an £844,000 for asphalt surfac- g, road construction and drain- ge. These include a £242,000 b-contract at the new fruit, fish nd vegetable market in Man- hester, on which work is ex- ected to start in July, 1972; and oad construction and drainage ork for the Edinburgh Corpora- on and the Burgh of Milngavie

★

Hydralon has won a contract worth £150,000 from the Ministry of Defence. The order covers epoxide coating for electrical insulation in a complex weapon system.

★

John Willmott Construction has won two contracts to build middle schools for the County of Bedford. These are at Flitwick and Cranfield and have a total value of £406,000.

★

Cartransport (BRS) has won a three year contract for the distribution of domestic vehicles. The order is from Chrysler U.K. and is estimated to be worth between £5m. and £8m. It will commence on January 1, and will be operated as a separate division of the company. Cartransport is the main car delivery company of the National Freight Corporation.

★

W. J. Furse and Co. (Crown House Group) has received a £202,000 contract for the design, manufacture and installation of lifts in the new teaching hospital and medical school for the Sheffield Regional Hospital Board.

# New freight service on Heysham-Belfast route

BY JAMES McDONALD, SHIPPING CORRESPONDENT

A NEW roll-on, roll-off freight service between Heysham and Belfast, jointly operated by Belfast Steamship (a subsidiary of Coast Lines, which in turn is a member of the P and O group) and British Rail, will come into operation next Monday.

The service—operated on a Monday-to-Saturday basis—will use, on the Belfast Steamship side, the unit-load vessel Saaletal, on charter to the company. British Rail will use its own vessels, and will contribute its port establishment and services at Heysham, while Belfast Steamship will put in its group's road haulage services and the services of its terminal at Belfast. "The trade will be split down the middle," said a Coast Line spokesman yesterday.

Also there will be a joint sales effort by BR and Belfast Steamship to generate trade for the service. The Saaletal will leave Belfast at 1830 hours to arrive at Heysham at 0320 hours, and two hours later will sail, arriving at Belfast at 1630 hours, so providing a round trip every 24 hours.

This is the first time that Belfast Steamship has operated out of Heysham. The Saaletal, at present on the Ardrossan-Belfast route, has sleeping and catering facilities for 12 vehicle drivers.

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## COMPANY NOTICES

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NOTICE TO SHAREHOLDERS
PROPOSED RIGHTS ISSUE OF 2,143,579 SHARES OF 25 CENTS EACH AT A PRICE OF R8 PER SHARE (SOUTH AFRICAN CURRENCY)

On 28th September, 1971, a circular and notice of Extraordinary General Meeting was posted to shareholders. The meeting was held on 21st October, 1971, and the resolutions set out in the notice were passed without modification. Accordingly, the directors intend to implement the arrangements detailed in the circular which include the acquisition of the undertaking of Gold Fields of South Africa Limited in consideration for the issue of 3,350,000 shares of 25 cents each, credited as fully paid, in this company; a proposed rights issue to shareholders and the change of the company's name.

The directors are now proceeding with a proposed rights issue to raise approximately R17 million and a circular giving full details will be posted to shareholders on 28th October, 1971.

Shareholders who are registered in the books of the company at the close of business on 29th October, 1971, will be offered the right to subscribe for 2,143,579 shares of 25 cents each at a price of R8 (South African currency) per share in the proportion of 1 new share for every 5 shares then registered in the said shareholders' names. Fractional entitlements arising from the offer will be disregarded. The offer will be made by means of renounceable Letters of Allocation which will be posted on 5th November, 1971, to shareholders entitled thereto.

The offer will close in London at 12 NOON on Friday, 26th November, 1971.

Subscriptions in the United Kingdom:—

It is intended to make arrangements whereby subscriptions will be accepted in London in United Kingdom currency. The rate of exchange at which such subscriptions will be accepted will be stated in the renounceable Letters of Allocation to be posted to shareholders on 5th November, 1971. Shareholders are advised that this rate will remain fixed throughout the period of the offer unless the rate of exchange between South African Rand and United Kingdom sterling varies therefrom by more than 5 per cent. in which event the company shall be free to fix a new rate. Any new rate so fixed will be notified to The Stock Exchange, London and announced in the press. Subscribers who do not wish to accept the sterling rate fixed for payment may subscribe in Rand. Instructions which will enable shareholders to follow the latter procedure will be enclosed with the renounceable Letters of Allocation.

By Order of the Board,
L. J. LITTLE,
London Secretary.

LONDON OFFICE:
49 Moorgate, EC2R 6BD.
25th October, 1971.

**FAIRFAX JERSEY GROUP LIMITED**

NOTICE IS HEREBY GIVEN that the Ordinary Share REGISTER will be CLOSED for one day only on the 17th November 1971.

By Order of the Board,
C. KAY.

26th October 1971.
Tricot House,
3 Major Street
Manchester, M1 3DX.

**LEICESTERSHIRE COUNTY COUNCIL BILLS**

Leicestershire County Council Bills amounting to £2,200,000 were issued on Monday 25th October 1971 for maturity on 24th January 1972 at a price of £98.85½ per cent. These are the only Leicestershire County Council Bills outstanding.

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BUSINESS OPPORTUNITIES ALSO APPEAR ON PAGE 30

## COMPANY NOTICES

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The declaration of a dividend for the year ended 30th September, 1971, will be considered at a Board meeting to be held in December 1971. By order of the Board, O. C. Hough, Secretary, Durban 8th October, 1971."

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# The Executive's World

EDITED BY DAVID PALMER

r years U.S. companies have sent a steady flow of Americans over to Britain to sort t their subsidiaries' management problems. Now look what's happening

# 3limey O'Heinz

O'Reilly, "tipped for the top."

Y KELSEY van MUSSCHENBROEK

NOVEMBER 1 Mr. Anthony illy will start work in Pitts-h as sanior vice-president, th America and Pacific, at headquarters of the H. J. iz Company. In terms of s alone he will be the sacond t important man after the ident in what is now a hillion ar multinational food com-y—he will be responsihle for m. of the husiness.

That makes this a remarkable ointment is not simply that few non-Americans Reilly is Irish) scale the hts of major U.S. corpora-s at all, hut even fewer do t tha age of 35. Moreover, y O'Reilly has only been with well-known canned soup and y food company for two-and-lf years.

## artling ove

ndeed, it could be said that sppointmant as managing ector of Heinz's key British sidiary in May, 1969, was just startling as this latest move. pr to that he was managing ector of the Irish Sugar Com-y, and before that general hager of the Irish Dairy Bosrd either of which was exsctly the Heinz league. Given this t of momentum, it is not at surprising to hear Heinz lders tip O'Reilly for the top job—he certainly has time his side. Nevertheless, Reilly is the first to admit that elevation to tha numher one rational seat in Britain, at st, owed a great deal to his ng in the right place at the ht time.

His progress is also vary mnch a reflection of Heinz'e own rejuvenation which has seen this century-old family controlled company move, in the space of six years, from heing one of tha U.S. food industry's also-rans to a position where it is now rated as one of its more intaresting recovery stocks. To understand this corporate turnround one has to look not only at the old Heinz, but also at the special relation-ship between Pittsburgh and Hayes Park, Middlesex, head-quarters of Heinz'a U.K. nffshoot.

When Henry J. Heinz I founded his food company he did so on the simple maxim that "to do a common thing un-commonly well hrings success." By the early sixties, however, the group's overall performance had begun to go uncommonly hadly. This was especially true of tha American market where Heinz was heing trampled underfoot hy Campbell's (in canned soupa), Gerher (in prepared hehy foods) and even hy relative newcomers like Norton Simon in tomato ketchnp. In 1963, for instance, total earnings fell 12 per cent, although sales were up hy 24 per cent.; Heinz's net margin on sales shrunk to a derisory 2.7 per cent. This was Heinz's nadir, made all the more worrying hy the fact that 85 per cent. of profits were being generated ont-side the U.S.—and that meant largely in the U.K.

Over here Heinz was every-thing that in America it was not: it dominated (and still does) the sonp market, the haby food market, the ketchup market, the haked heans market. In several other areas—from sandwich spread to canned potato salad—Heinz virtually was the market. The British subsidiary was often mistaken for the parent company.

Then in 1964 Henry J. Heinz II (grandson of tha founder) took a cruciel decision. He put one Mr. R. Burt Gookin in charge of the alling U.S. division. Burt Gookin had worked for Heinz for 20 years. A Harvard MBA, he had never quite reached tha levers of power which until then remained a family preserve. His use of them in the American market so impressed "Jack" Heinz, that in 1966 he handed over to Burt Gookin and stepped up to the chairmanship of the group.

## Gratifying results

To-day Heinz is as much Burt Gookin's company as it is the family's. Since 1964, Heinz'a worldwide sales hsve risen hy nearly 105 per cent.; earnings hy 159 per cent.; and earnings per share hy 109 per cent.—with gratifying results for its share price which has moved from a 1964 "low" of $18 to around $42 to-day, after adjusting for share splits.

When Burt Gookin hecame President of Heinz he set the group a sales target of $1,000m. hy 1972 or 1973—sales were then running at $620m. The fact that the company is more than a year ahead of schedule owes much to the management shake-up that Gookin hae engineered at Heinz. In doing so a number of Heinz traditions have gone hy the hoard—many of them more fundamentsl than the ditching of the old "57 Varieties" logo.

One such tradition was that only insiders would get the top jobs. Part of that tradition him-self, Gookin quickly broke it. Another was that the all-impor-tant British company was steared with the lightest possihle touches from Pittshurgh. Gookin broke that tradition, too.

Two key North American appointments quickly went to out-siders, while for ths third Gookin called on Hayes Park. John Connell (then marketing and home sales director, U.K.) went to Canada in 1966 and then on to Pittshurgh as senior vice-president, North America, two yeara later. Gookin onca again plugged the Canadian gap with a man from the British company, and in so doing left it with a succession prohlem for manegıng director. The solution was pro-vided in the form of an ex-Irish and British Lions rugby inter-nationel who in 1967 hed become known to Gookin while negotiat-ing a joint marketing deal with the U.K. company on hehalf of tha Irish Sugar Company.

With O'Reilly now moving to Pittshurgh John Connell is returning to take np tha joh hs was originally destined for six yeers ago—a measure of the continuing importance of the British subsidiary which still accounts for 32 per cent. of total group earnings. When Gookin atarted to revamp Heinz it was, therefore, prohehly inevitahle that he ehould include the U.K. in his plans. It was not so much that Britain was alipping heck—although net profits did dip elightly in 1969—but more a case of good not being good enough sgainst a hackground of new corporate yardsticks.

Why O'Railly? The right plsce and the right time cannot he the whole explanstion. Gookin is a great helieer in trying to move a large company forward hy harnessing "entrepreneurial" management. O'Reilly is clearly in that mould. Gookin is also a hard worker. O'Reilly puts in a regular 12-hour day. Moreover, when one remembers thst Gookin's one major passion in life, outside Heinz, is sport (notahly golf) tha very obvious empathy between the two men is not hard to undsrstand.

## "Benediction from the top"

O'Reilly says hluntly: "I work for Burt Gookin." His time at Hayes Park has reflected Gookin'a styls of management which O'Reilly defines in very Irish terms: "It is financially dis-ciplined yet non-authoritarian. The eotrepreneur is given bene-diction from the top."

In two important rsspects Heinz has undergona fundamen-tal change: in its management atructure and in its marketing strategy. To etart with Heinz'e U.K. Board now has five new directors (four previous names have disappeared from the list) each of whom is effectively a managing director in his own right. Explains O'Rsilly: "Pre-viously these men had line re-sponsibility only. Now they run their their own husinesses as wall, with separate profit objec-tives, capital expenditure hudgsts, and salss targets." They are the top echelon of Heinz'e new entrspreneurs, not, incident-ally, hrought in from outside, hut merely repositionsd from within the company.

For example, Mr. Charles Lowe was hrought hack from Brussels where he had been in charge of group development in Europe aod made managing director of Heinz-Erin, the joint marketing company owned hy Heinz and the Erin Foods offshoot of ths Irish Sugar Company. He was also made overall head of new husi-ness development, an area which O'Reilly says was previously "diffusely positioned between sales and marketing on the one hand and research and develop-ment on the other." Charles Lowe's new role took its final shape when he then joioed Heinz's U.K. Board.

Some of the results of just this one move are already begin-ning to show through. Heinz's new asceptically canned Dairy Custard snd Rice Pudding with Cream (conventionally canned) have already passed £1m. in sales each—normally regarded as a henchmark for profitahle auccess in the grocery field. Three more new products look like following suit, which is high scoriog in an industry where new products heve s failure rate of 80 per cent. Elsewhere Charles Lowe is also responsihle for the gathering momentum of Heinz's catering salss.

Heinz's new variety of man-agement has also heen matched by a significant shift in its marketing strategy, the first overt sign of which was the recent decision to reduce its cash discount to the trade and use the money saved to hoost its media advertising. Basically, of course, there is nothing new in trying to strengthen a brand franchise with the puhlic, but the timing of the move made it clear to the increasingly power-ful supermarket chains that Heinz had been squeezed far enough in terms of the amount of promotional money the com-pany waa prepared to see diverted through the store rather than apent direct on get-ting through to the consumer.

## Hard look at structure

By the same token, Heinz is now taking a hard look at the structure of its "case retes"—rates which relate discounts not only to the volume of an order but also to the location of the delivery point. Recent studies hsve shown thet these rates no longer reflect genuine distribu-tion costs, so thst to some extent the manufacturer is subsidising the retailer.

The results of all these changes are already beginning to be seen in the balance-sheet: in 1969 pre-tax profits rose 0.9 per cent.; in 1970 the figure was 1.7 per cent.; end lest year the figure wee 8 per cent. To the extent that this was only the third largest annual increase at Heinz in the pest 10 years, it may not look all that dramatic. But O'Reilly says "I prefer to he judged on the figures, more than anything else."

He does not deny that he inherited one painfully embar-rassing acquisition (a meet com-pany) which he has heen unable to sell off, and which is atill a loss-maker. "Take out Moss Walthsm (the meat loser)," he adds, "and last year we had the biggest single rise in profits in s decade. It should not he sllowed to detract from the very real results our profit improve-ment teams have hsd else-where."

Burt Gookin obviously agrees. Otherwise he would presumably not ba handing his Irish dis-covery a husiness two and a-half times as large to he going on with.

NDUSTRIAL FILMS

# Find the right audience

BY JOHN CHITTOCK, INDUSTRIAL FILMS CORRESPONDENT

A bloomer loaf in Crispywrap film from Specialist Bakery Packaging.

FILM, when made, needs to e seen by the right people in rder to he effective. This eans that information about ne film must reach tha right eople, and in a form which ncourages thair attention. In ractice, there are still too many ROs and Press officers who ssume that the very creation f s film is the completion of communications cycle.

For every film made, there is ways a unique group of key eople and organisations that ould he informed ahout its distence—although too often erlooked. For example, the ritish National Film Catalogue, e Central Office of Informa-on, the regular industrial film itics and the specialised trade ress, in some csses the Britiah ouncil (which distributes films verseas), in other cases a ariety of trade and national odies depending on the subject f the film. How meny PR eople in the chemical industry, r example, know that the oyal Institute of Chemistry ablishes e comprehensive atalogue of films availahle on ie subject? Information and uidance on such matters can lways be obtained from the ritish Industrial and Scientific ilm Association (193, Ragant treet, London, W.1).

The real stumhling block that enerally sorts the men out from le boys, however, is the Press iow or preview. Failure to vite key people is a common ult. Choice of clashing dates nother—like the legendary case e motor company, kinder not name, that held a spectacular lm preview on the same night he Guild of Motoring Writers aged their annual dinner. The ritish Industrial and Scientific ilm Association maintain a lary which, although not nfallihle, could help if com-anies used it more often.

In recent weeks, the Depart-ment of Employment's film preview ahout the Industrial Relations Act clashed with Shell International's preview of *Oil and Soul of Japan*; the same Department's film, *Training Pays*, clashed on anothar day with British Petroleum's preview of two excellent documentaries —*Alaska—The Great Land* and *Flight Plan*. The Alaska film is an interesting account of the country that now yields oil in place of gold; the aecond film is a startling examination of the prohlem of crowded akies in world aviation.

Another neglected factor is the choice of venues for pre-aenting previewa. Films demand satisfactory technical conditions —and there is a plentiful choice of preview cinemas in London.

Full marks, then, to EMI for senslhly using the National Film Theatre for their latest manage-ment training film—*Focus the Future: Introducing Long Range Planning*. In case PR people pall at the idea of hiring the NFT with 500 eeats, I should add that thie cinema now has three suditoria—No. 2 seating 160 and No. 3 a mere 40. My surprise on arrival for the EMI film preview underlined this point: a huge qnene of hlue-jeaned, hirsute hippies. Strug-gling for admittance to a film on long-range planning? In fact, heading for the larger auditorium which was screening a pro-gramme of American revolntion-ary cinema.

The National Film Theatre is now Britain'a most versatile show-place for films—especially now that it has recently opened a splendid restaurant with pano-ramic views of the River Thames; all availahle for hire. Nevertheless, the NFT still needs more funds to hring its projection facilities completely up-to-date—as, for example, by the installation of 8mm. equip-ment.

With other colleagues of the Press, I suffered another film show in a curtained-off enclosnre when RM-EMI showed a new NATO film—*Versus*. Fortunately this swashbuckling appeal to make peace not war, usea such a frenetic style in its aim to reach young audiences thst the noises beyond the curtain ware lost.

A quiet, select and comfortable cinema where the projection is always good is Guild House—another available for hire. This was the venue last week for a naw Guinness film, *Guinness for You*—a beautifully photographed production which, while pleasant to watch, seems pointless nnless you read the Press release: "made to emulate through vision and sound the nnique taste of a hottle of Guinness." In the aame show was Rocha Products' latest psychiatric film, *The Savage Voyage*; an extraordinery film ahout anxiety and the range of benzodiazepine drugs now heing developed to treat it. Thia film will grip everyone who sees it, but will he controversial becausa of its excessively scien-tific handling of a human problem.

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TUESDAY OCTOBER 26 1971

# Sadat's rash deadline

THERE IS little more than two months now bafora tha aod of the yaar, tha deadline set by President Sadat of Egypt for a decisioo on whether the deadlock with Israel should be resolved by "peace or war." Yesterday the official spokesman in Cairo went further in tha rash game of specifying time limits by saying that the momant of decision would ba the end of the Muslim fast of Ramadan in just ovar threa weeks' time. The Egyptian Government does not, of course, mean that a full-scale conflict will be resumed by then if there has been no Israeli commitmant to withdraw from the East bank of the Canal. Rather, it is saying that Cairo's future course of action will ba claar by then.

### Exasperation

President Sadat's deadline reflects Egyptian exasperation over the failure to end the impasse created by the June War of 1967. It is also a part of the scare stratagy dasignad to alarm the world at large about the possibility of a cooflict. The thaory is that international pressures might thus be brought to bear on Israel to withdraw from the occupied territories on Arab terms. By the time Ramadan is over the UN Geoeral Assembly dabate will probably be finished and the outcome of the current Egyptian diplomatic campaign should be known. It is unlikely to result in anything more than a mild condemnation by the General Assembly of Israeli refusal to go back to the pre-June War lines.

Meanwhile, within Egypt President Sadat's plausibility will probably be impaired—perhaps fatally in the long-term—by his deadline. It is scarcely conceivable that he will be able to show by the end of the year any prospect of recovering the whole of Sinai, by peace or war. President Sadat knows full well that Egypt cannot at present contemplate evicting the Israelis by military means. It is also clear that the Kremlin, despite the promise of more arms supplies, did not ease Egypt's predicament when President Sadat went earlier this month to Moscow to ask for a greater offensive capability. The Russians, it is assumad, told him that they have no wish to see the outbreak of a full-scale conflict. They probably also told him that Egypt may bava to wait until President Nixon goes to the Soviet Unioo next May bafora a concerted attempt by the super powers to imposa a solution can ba made.

In this situation President Sadat may be tempted to resume limited hostilities along the Suez Canal. He could argue that the umbrella provided by the Soviet missiles, which ware surreptitiously installad oo its West bank after the ceasafira began last August, would make this a less costly business than President Nasser's ill-fated "war of attrition." However, it would also obliterate the chances of an interim settlement involving a partial Israeli withdrawal and tha reopeoing of the Suez Canal.

The Egyptian leadership would be uowisa to lay down in advance too rigid conditions which in themselves would rule out Israeli co-operation. The same goes for Mrs. Golda Mair's Government, which on Sunday failed to decide whether it would continue with the American initiativa. Three maio points of difference account for its halting progress. There is tha Egyptian insistence, firstly, that its troops should be allowed to cross the Canal after a partial Israeli withdrawal; secondly, that the ceasefire should ba of limitad duration; and, thirdly, that an interim settlement should be directly linked to a final one.

### Israel's fears

Israeli objections to the first of these Egyptian conditions are based oo reasonable fears. But a compromise should be possible given the right American guarantees and Soviet backing for the plan. In addition, Israeli good faith will be required. The best way to show it would be for Jerusalem to recognise an interim settlement as a stage in a complete solution and to overcome the third obstacle at the same time. Such an act would not only keep the dialogue going, but might also solve President Sadat's predicament and allow him to choose his peaceful option.

# Solving aluminium's problems

CANADA and West Germany are believed to be the countries which have taken the initiative in asking the Organisation for Economic Co-operation and Development (OECD) to establish a working group to look at the problems of the international aluminium industry.

Such a move is interesting for a number of reasons. Aluminium is one of the most international of all industries, and one that is dominated by a handful of vertically-integrated companies which control all the processes from the mining of bauxite in the tropics to the marketing of foil to supermarkets.

### Depressed

In normal circumstances these companies would be the first to resist any attempt to interfere with their internal affairs. However, times are not normal. The industry is suffering its most depressing period since the war, largely because demand has been unusually sluggish at a time when considerable extra capacity, planned three years or more ago, is coming on stream.

An industry which has traditionally geared itself to making adequate profits when running its smelters at 100 per cent. of capacity has had to cut back to an estimated 86 per cent., and further reductions are now being forecast. Profits are tumbling, with the third quarter earnings of the industry leader, Alcoa, showing a 77 per cent. fall on the position a year earlier.

Three of the top six companies—Alcoa, Kaiser, and Reynolds—are based in the U.S., and are constrained from discussing capacity problems together by the strict anti-trust laws. Even so, the debate has been carried out through the columns of the Press, each company in turn announcing cuts in production and urging their competitors to follow suit. This campaign has had a measure of success, though not to the point where prices hava begun to harden.

Against this background of surplus capacity, the aluminium industry is particularly vulnerable to the import surcharge introduced by the U.S. Government in August. As an example, one leading producer, faced with the need to reduce production, chose to close down some of its less efficient pot lines in the U.S. and draw metal from its low-cost smelter in Ghana—a decision that has proved costly in view of the imposition of the surcharge, although no doubt that is exactly the effect President Nixon was hoping to achieve.

The Presidant's measures are also likely to have the effect of reducing consumption of aluminium outside the U.S., and of diverting metal from that market to others, all at a tima of surplus productioo and depressed prices. The development which the industry faars most is a trade war, with the raising of tariff walls and embargoes. Although aluminium is only one of many commodities that could be affected by such a development, it is for this reason that some sections of the industry are inclioed to give a warmer welcome to the idea of OECD intervention thao might otherwise be the case. An offer to examine the problems on the part of the OECD might conceivably take some of the emotion out of the present situation.

### Precedent

There is a precedent for action in the OECD's study of Government shipbuilding credits. So far as aluminium goes, however, it is difficult to see what short-term assistance the organisation can offer. By the time it reports, aluminium may be on its way to recovery: the industry expects to be in balance again by 1974-75. Longer term, the OECD may have a role in discouraging governments from offering excessive subsidies for new smelter construction, which has certainly distorted investment decisions in the past.

# The British Press: balancing costs, revenue and readers

**Sheila Black** reports on the financial health of national and regional newspapers

WITH tha dispute at the Sunday Times deferred for the time being, and with the rest of Fleet Street at present free of trouble, this is a suitable time to look at the financial haalth of tha British Press. In July and August, national newspaper publishers had avery reason to congratulate thamselves — if a trifle cautiously. Prica incraases bad apparently been absorbed by the public and sales were genarally firm. The reaction followad in September.

Trua, Saptambar was in any case hedevilled by a five-day stoppaga, affacting Sundays and dailies alika; and there is always a small core of readers that is slow to begin buying oewspapers again after a stoppage. It is bard to tall wbether tha Saptembar trend was tha result of the stoppage or of puhlic realisation of wbat tha price increases meant to tha pocket.

The autumn has started well for "serious" newspapers, whose price increases have baen staggered; but the extra pence on popular titles cama more nr less together, aod at a tima when many other price increases, in food and travel particularly, were making life rather costly.

All the serious titles bava raason to be satisfied with their September progress. The Guardian is still riding higbar than the others and still breathing down the back of The Times. Its popularity is being bought at some expanse—but profits do not always go hand-in-band with popularity. The Guardian makes no sacrat of its losses, oor of its dependence on its Manchester evening stablamate, which is also facing the publishing truth of the narrowing gap between costs and revenue. There ara, bowaver, always price increases to cheer the Boardroom, and cover prices are gradually becoming more in line with costs.

## Sales of the populars

The Manchester Evening News-Guardian relationship has many parallels. For example, it is not many yaars since the Sunday Times was netting a profit in excess of £1m. Now that its daily sister, The Times, is making a loss in excess of £1m., the Sunday Times threatens to do little better than to break even unless all personnel work together and unless all circumstances run smoothly. So far the year has not been exactly so auspicious ooe in these respects.

Among the popular papers, sales hava been patchy. The Sun's climb continued through tha summar and the early autumn, to end/September with circulation more than 70,000 up on August. Even so, its management, somewhat spoiled by success, is mildly disappointed to see sales settling at around 2.55m. after passing 2.6m. before the stoppage. A highly successful promotion, connected with football badges and nicely timed for the season, bad put an astimated 100,000-plus on salas in spite of the price increase in July.

The Sun looks set for a 2.5m. daily average for the current half year, just two years after its rebirth in November, 1969, out of the old Sun, whose sales had dropped to about 800,000.

Delayed reaction to price increases may not bave been solely responsible for the negligible check lo the Suo's sales just recently. The Daily Mirror has been snapping back at its new-fonnd rival. More, it bas been setting the promotional pace at a cost of some £300,000-plus if my guess is right.

Whatavar the cost—and the Mirror people admit that it has been expensive—the advertising is proving well worth it. Salas, in the doldrums until promotions were launched, have turned and begun to rise again. September's gain was not big, but it was reassuring. Advertisers have come back with graater support for an old favourite, and an all-round atmosphere of optimism has been generated.

For the first time since the Sun's genesis, the Daily Mirror bas mada tha running, forciog its rival to compate and to spend wban it had no particular plans to do ao.

The Daily Express shed a few readers after the stoppage, and will probahly end the current half-year with a lower daily average than for 1970. However —and it is a "however" stressed by most managements—that extra penny more than compensates for the loss of a few readers who decide to economise by taking one newspaper where they bought two before. Undeniably, the latest increase, the first since decimalisation, has been both timely and helpful. But publishers have yet to foot the bill for those five lost days as well as for the increases negotiated at the end of it.

The reborn Daily Mail is taking time to find its following. In tha last complete half-year before it changed its size and style—July to December, 1970—the sale was above 1.8m. copies and on a downward trend. As a tabloid, incorporating much of tha mora popular reading matter of the now-defunct Daily Sketch, It continued to aim at a similar market as the old broadsheet Daily Mail.

Neither tha public nor the advertisers seemed to be ahla immediately to reconcile the tabloid format with the old Mail, and the uncertainty continues. Sales are now running below 1.8m., and tending marginally down. The managemant, howaver, is sanguine. Their attitude is that advertisers have got used to the change, like it, and are proving thair liking with bettar bookings. As to sales, the Mail management is keenar to hava what it feels to be tha right readership than to count beads, especially at the present cover price of 3p.

The Mail's management says aloud what most of Fleet Street thinks—that too much emphasis is put on circulation figures and that wbat counts in the end is the financial ability to stay in bnsiness. In spite of that commonsense policy, its deads are at variance with its spokan thoughts. Flaet Street is on something of a promotional treadmill.

Heaviar promotional expenses, sustained over a longer pariod than has been usual in racent Fleet Straat history, bave become built into tha balance-sheats of most publishing houses. Just before the September stoppage, some plans were shelvcd and have not shown signs of being revived, which must have saved several thousands of pounds all told. Evan so, Saturday and Sunday nights, as viawers of commercial TV channela will know, are studded with screen presentations of good things to coma in next day's papers. Even the serious Sundays join in.

While commercial TV companies are grateful to the Press for becoming another source of revenue, the Press is still holding its own in getting a healthy share of national advertising nverall. Last year TV accountad for 23.6 per cent. of all that was spent on advertising, apart from what was spent "below the lina" on retailer incentives, special gifts and other point-of-sale schemes. The Press got 70.9 per cent. of total advertising expenditure.

## Share of the cake

National papers, both daily and Sunday, won a 20.5 per cent. share of the whole advertising cake of some £530m. Regional newspapers collected 22.2 per cent., leaving the rest to technical, trade and consumer journals.

A newer threat from TV is the improvad quality of its news reporting, and the greatar depth and immediacy of its background and documentary material, allied to colour—more than 1m. homes now have colonr and demand is running high.

The BBC has set a particularly high standard, and one which newspapers are finding hard to match. In the regions, especially, newspaper publishers have been tending to suggest that local BBC television coverage, allied to local radio, has burt circulations, to judge by all raports. A study of average circulations for the first half of this year belie those reports to some extant. For the most part, circulations have been steady, even edging upwards.

What has mainly hit provincial papers is not so much tha feared rivals like giveaways, TV, local radio and so on, but the economic situation. They are largely geared to heav from classified adverti sits. vac. and property

Both these have been h knocked. Unemployment h duced demand for sits. advertising—and such tions as there are produ immediate queue of appl Only a year ago, a vacan would naed to be adver three or four times, or in display sizes. In property story is the same. The little property coming o the market and less deman both the privata and com cial sector.

True, the pattern is p In areas like Sheffield, caster and Derby unemploy has baen worse than io o and bere evening newsp are amoog the hardest hit, might be forgiven for thi that salcs suffer too in when labour disputes ar rupting local industry. Hi ally, the reverse is true. coverage given by local papers to such events as as many extra sales as a lar local football match.

## Drive for display ads

The regionals' problem bean to keap pace with c and to raise advertising rev to compeosate for shri classified columns. There been much effort to induce retailers to take larger more frequent display spa and with a fair degree of suc in areas not badly hit by employment.

Efforts to get eveo a s share of national advert are working more slowly. T vision is still thought to faster measurement in markets, although it is not c why this is so. By and la provincial papers reckon t lucky if they can get nati advertising to account between 8-10 per cent. of t revenue.

So, while some are manag to maintain both sales a advertising ravenue, too ma are not operating profitab There has been a measura sales resistance to the last t rounds of price increases, pa cularly as they have coincid so closely with rises in nation papers.

For many newspaper pu lishers there is now a po beyond which they feel th canoot raise prices and s retain readers in the requir numbers. Costs, already mou ing, have been swollen some par cent by wages and salari over the past 18 months or s Currant negotiations stand add another £3½m. to next yea wages bill.

Both in Fleet Street and ou side, it is therafore very muc a case of when it is good, it very good. But when it is b —as for some it is—it is horri

## The Daily Papers . . .

**National**

| | Jan.-June 1971 | July-Dec. 1970 | Jan.-June 1970 | July-Dec. 1969 |
|---|---|---|---|---|
| Daily Express | 3,436,214 | 3,518,664 | 3,607,460 | 3,732,418 |
| Daily Mail | *** | 1,814,331 | 1,916,510 | 1,959,942 |
| Daily Mirror | 4,380,470 | 4,443,584 | 4,696,950 | 5,003,798 |
| Daily Sketch | * | 764,187 | 806,396 | 871,543 |
| Daily Telegraph | 1,454,581 | 1,415,656 | 1,402,362 | 1,380,502 |
| Financial Times | 168,213 | 165,047 | 174,754 | 171,232 |
| The Guardian | 327,897 | 304,102 | 303,332 | 290,018 |
| Sun | 2,082,686 | 1,721,533 | 1,509,330 | ** |
| The Times | 341,242 | 375,055 | 401,756 | 426,164 |

**Regional**

| | Jan.-June 1971 | July-Dec. 1970 | Jan.-June 1970 | July-Dec. 1969 |
|---|---|---|---|---|
| Birmingham Post | 63,563 | 65,016 | 66,779 | 69,644 |
| (Darlington) Northern Echo | 109,564 | 110,620 | 112,589 | 112,191 |
| Liverpool Daily Post | 94,525 | 89,338 | 90,448 | 93,163 |
| (Newcastle) The Journal | 104,139 | 107,155 | 111,272 | 112,913 |
| Oxford Mail | 45,659 | 43,964 | 44,460 | 44,126 |

** Ceased publication in May*
*** Taken over by News International from IPC*
**** Changed to tabloid in May*

## And the Sundays . . .

**National**

| | Jan.-June 1971 | July-Dec. 1970 | Jan.-June 1970 | July-Dec. 1969 |
|---|---|---|---|---|
| News of the World | 6,170,890 | 6,242,270 | 6,215,079 | 6,421,089 |
| The Observer | 796,528 | 796,421 | 847,572 | 866,384 |
| The People | 4,941,738 | 5,037,589 | 5,241,697 | 5,416,910 |
| Sunday Express | 4,163,105 | 4,244,821 | 4,281,056 | 4,271,982 |
| Sunday Mirror | 4,686,564 | 4,797,436 | 4,885,296 | 5,130,675 |
| Sunday Telegraph | 751,673 | 770,736 | 756,406 | 780,020 |
| Sunday Times | 1,432,946 | 1,414,777 | 1,464,142 | 1,482,049 |

**Regional**

| | Jan.-June 1971 | July-Dec. 1970 | Jan.-June 1970 | July-Dec. 1969 |
|---|---|---|---|---|
| Birmingham Sunday Mercury | 222,050 | 221,640 | 226,392 | 228,715 |
| Newcastle Sunday Sun | 219,073 | 227,919 | 238,298 | 245,113 |
| Northern Ireland Sunday News | 96,790 | 87,664 | 78,486 | 70,824 |

# MEN AND MATTERS

## Holland opens the bidding again

Thera are three nice irooies about the bid that Burnbolma and Fordar is proposing to make for The Equitable Industrial Company of Scotland. One is that Mr. Tim Holland, of Crockfords fame and oow chairman of Burnholma, will ba bidding for a company that be was also chairman of, briefly, in 1966-67. The second is that Holland has been angaged in savaral libel actions over circulars issued by other EICS directors at that time, during the Board room battle then in progress.

One actioo, earlier this year, Holland lost in the High Court, and with another former director, Mr. Montague White, was ordered to pay costs estimated at £20,000. Another action two years ago, against Sir Andrew Murray, he won, also in the High Court.

The third irony is that Holland has just resigned from the Board of Palace and Derby Castle, which runs the Isle of Man casino; but Equitable Industrial, if he gets it, owns two casinos, in Liverpool and Portsmouth.

So is Holland just taking up the old fight agaio? Not really, he says. He and his associates took effective control of Burnbolme earlier this year, the stock exchange suspension on dealings in its shares has been lifted, and several subsidiaries bave been sold off (mainly in transport) and two added (in engineering). But, says Holland, the company is still one with relatively few assets, but good profits, whereas Equitable Industrial bas tha opposite problem.

Besidas tha casinos, and three greyhound stadia it bas recently sold off, Equitable has a recording machine business, two television shops, a chain of pawnbrokers (go well with the casinos) and two lots of freehold land. A good prize, if Holland can get it and as the EICS Board has already dacidad to opposa tha bid on its previously proposad terms, Holland says he is "rehashing the terms" in an effort to secure it.

## Redesigning the South Bank

Sir David Burnett, chairman of Hay's Wharf, is now only a few steps away from seeing the long-promised redevelopment of his company's huge South Bank site start to become reality. The main hurdle yet to be crossed is GLC permission. Providing it is given, a hard time for the Hay's Wharf Board may be over. Failure to meet profit forecasts has been one criticism. Another, of late, has been Burnett's policy of playing his band close to his chest. But considering the size of the project and the various developers who were first interested in the scheme and thao withdrew, his reticence was perhaps understandable. Burnett in fact started to draw up plans for comprehensive redevelopment as long ago as 1949.

He came to Hay's Wharf originally to handle its property interests, baving married a Humphery, one of the three proprietorial families that bad been involved in the company since the 1750s. Burnett was by training a chartered surveyor, from a family whose City surveying firm want back to 1847. So developing Wharfinger's property interests (and finding the land outside London for Hay's Wharf to cootinue its main business) was very much in bis lina. The obstacles have been numerous. One almost completed scheme was quashed by George Brown's office controls. But several elements from earlier plans are incorporated in the grand design unveiled yesterday.

## Gayelord aims at a century

"You British cook the hell out of your vegetables," complained Mr. Gayelord Hauser yesterday. Hauser has made himself a millionaire by preaching the doctrine of health through "intelligent eating." He has also kept himself remarkably fit the same way. At 76 be stands an erect 6 ft. 3 in., and says that this he has finished writing a cookery book *Tenderloving Cooking*, and his memoirs, he is going to "play a little—I have 24 years to go." His aim is to live to 100 (like, if I recall, George Bernard Shaw, who missed it by four years).

Hauser is in England briefly, in transit from one home in Sicily to another in California; to help launch a range of "Gayelord Hauser approved naturally favoured wafer biscuits" being marketed by OP Chocolate, which supplies "own label" customers like M and S, Tesco, and Sainsbury.

Hauser calls himself "the Nadar of the food business," and has spent the last 50 years campaigning about nutrition and diet. Hauser was born in the Black Forest in Germany, got TB of the hip, and was pronounced incurable, until, he says, he met a "nature cure" doctor who cured him with vegetables and fruit, and set him off on the study of "natural diet."

He opened what was probably the first diet clinic in America in Chicago in 1923, and has lectured extensively—"I used to do 20 cities a year, now I do only 10." He went into association with Elizabeth Arden in a beauty farm in Maine in the 1930s, and has written 20 books—*The New Diet Does It*, *Be Happier, be Healthy*, and so on—and a new Hauser Health Centre has just opened in Kyoto, Japan.

In France, where Hauser has an office, his products are distributed by Evian (the mineral water company, a subsidiary of the big glass firm Boussois-Souchon-Neuvesel), and Hauser says that if we get into the EEC, Evian might extend here. About threequarters of the Paris clients are still women worried about their figures. But at least there is now 25 per cent. men as well—"when young they come because of sport; later it is because of weight, and, I have to say, sex."

## Generation gap

Ollman Wendell Phillips swears this story is true. On a recent Pan Am flight from New York to London one of the passengers was Charles Lindbergh, now in his late sixties. "Welcome aboard, Generai Lindbergh," said the smiling stewardess: "is this your first Atlantic crossing?"

*Observer*

Credit is not something you should gamble with – you owe it to a great many people to consult experts.

# Process Plant

FINANCIAL TIMES SURVEY

## Much publicised problems

DAVID WALKER

; process plant industry is ality two distinct business ps rather than an inte- d whole, despite attempts time to time to discuss it ough only one cohesiva of people was involved.

the one sida are manufac- g concerns, some tiny and ing tha industry only in periods, nthers very big. actually make bardware ant, but, more often than lo not sell it directly them- s to the final customers.

the other are the con- ors, responsible for the ruction, fitting out and, in cases, the commissioning rodnctive plant for the ss industries—chemicals, nd petroleum, power pro- on, steelmaking and food ssing. Between half and quarters of process plant uilt by contractors, with the under constructed by the stries concerned.

tween them, the contractors the hardware prodncers in in notch up a turnover of £500m. a year and account some 10 per cent. by value world process plant export racts.

etween them, too, they bave into problems which must been among the best licised of any in any one icular area of business in country.

ragmentation within the istry; lack of co-ordination often downright distrust weeo raw material suppliers, dware manufacturers, con- ctors and the process indus- s; the dilemma of having to uire know-how to work on particular project without ing bad any similar contracts ore; and, perhaps more than thing, the cyclical demand tern faced by the industry— have played parts in the is through which process ot has been going. At times, failures which bave resulted e been spectacular.

### Important centre

nd yet, the difficulties have haps worked to the industry's g-term advantage as well. For y bave given it a sense of reness about its problems ch, as the difficult economic nate of the past year or so demonstrated nnly too well, been lacking in several er areas.

Changes within the industry re mada it considerably ter prepared than once it s, both through restructuring hin British companies and wiog links abroad aimed at king it less reliant on the issitudes of the internal rkets.

On the contracting side, tain is undoubtedly the most portant centre in the world, h some 90 companies here involved in that field. Both British companies and American-owned concerns based bere bave been buying their way into the Continental contracting industry in the face of mounting difficulties in obtaining an overaeas order from a London base.

Some 15 months ago, Davy-Ashmore'a Power-Gas subsidiary bought the engineering branch of the problem-faced Pintsch Bamag, of West Germany. A year ago, Matthew Hall took a 60 per cent. stake in Belgium's Keynes-Belgie. A step into Germany by Humphreys and Glasgow seems likely following its recent link with Gütebofinungshütte aimed at penetrating the iron and steel plant market in Britain.

### New link

Going further afield, it is now over three years since Simon Engineering, one of the more consistently successful U.K. contracting groups, joined with the Litwin Corporation of the U.S. through its Simon-Carves Chemical Engineering subsidiary to form Simon-Litwin in a bid to give both companies access to the refinery building business in the Eastern Hemisphere.

That formed an important move in combating the know-bow problem, linking the resources and experience of Litwin in process design and of Simon-Carves in project execution to provide complete chemical engineering contracting services to the petroleum refining industry on an international scale.

At the same time, many American contracting concerns bave steadily built up their U.K. business to the point where a high percentage of the companies in this relatively new, to the U.K., field are U.S. subsidiaries.

As far as restructuring is concerned, the changes are perhaps typified by the reorganisation at Davy-Ashmore over the past three years wbich, possibly on a vaster scale than at anywhere else, reflects what has been going on in contracting as a wbole.

Basically, wbat occurred was a redefinition of the company's bnsiness and a deliberate policy of ceasing to make any equipment which could be bought from external suppliers. The movea started in 1968 when the Asbmore Benson Pease fabricating plant at Darlington was sold to Whessoe, and accelerated after the disaster of the company'a Power-Gas subsidiary's Conoco refinery contract wbich eventually cost the group a £6m. loss and an even greater drain on resources.

The result was to turn Davy-Ashmore solely into process-based contractors, designing and building steel plant, chemical plant and refineries using its own process knowledge whenever possible. Over £4m. was raised by the sale of assets at a time when liquidity had shrunk and borrowing was at a peak.

To-day a strong cash position has enabled the repayment of loans, inclnding one for £4m. from a consortium of banks and the Indnstrial Reorganisation Corporation, and only 5 per cent. of turnover is accounted for by bardware.

Management structure bas also been altered to permit more flexibility, and two other sizeable foreign contracting concerns in addition to Bamag Verfahrenstechnik bave been acquired. The group, overall, haa placed itself well on the way to becoming a highly competitive international concern.

These changes on the contracting side bave begun being matcbed by the bardware manufacturers, wbo have always tended to be more vulnerable in the face of changing demand patterns.

Among their particular problems has been the fragmentation of the industry whicb, with a lack of standardisation and specialisation, lives in a perpetual climate of one-off jobs.

The divisions were exemplified by the multiplicity of trade associations for fabricators, a fact wbose disadvantages were stressed by the Process Plant Expert Committee set up at the beight of the crisis in 1965-66.

To combat it, several of the independent organisations bave now merged to form the Process Plant Association, wbose 300 members are estimated to represent some 80 per cent. of the industry's fabricators, unit plant manufacturers and component manufacturers.

### Near monopoly

According to Cdr. J. A. Hamer, director of the Association, manufacturers bad "suffered for long in the 'nut in the nntcracker' situation with the near monopoly British Steel Corporation on the one side supplying the raw material and the large international contractors and the oil and chemical companies on the other playing one firm off against the other."

Despite this great list of changes, it would be foolish to suggest that the process plant industry's problems are over. The need for manufacturers, in particular, to concentrate on import substitution and overseas markets if their business is to expand was underlined by the most recent report of the National Economic Development Office Process Plant Working Party.

For the industry is still faced with a cyclical demand pattern, and the forecast ahead is for process industry investment to remain fairly static over the next two or three years now that a bigh point in the circle appears to have been reached.

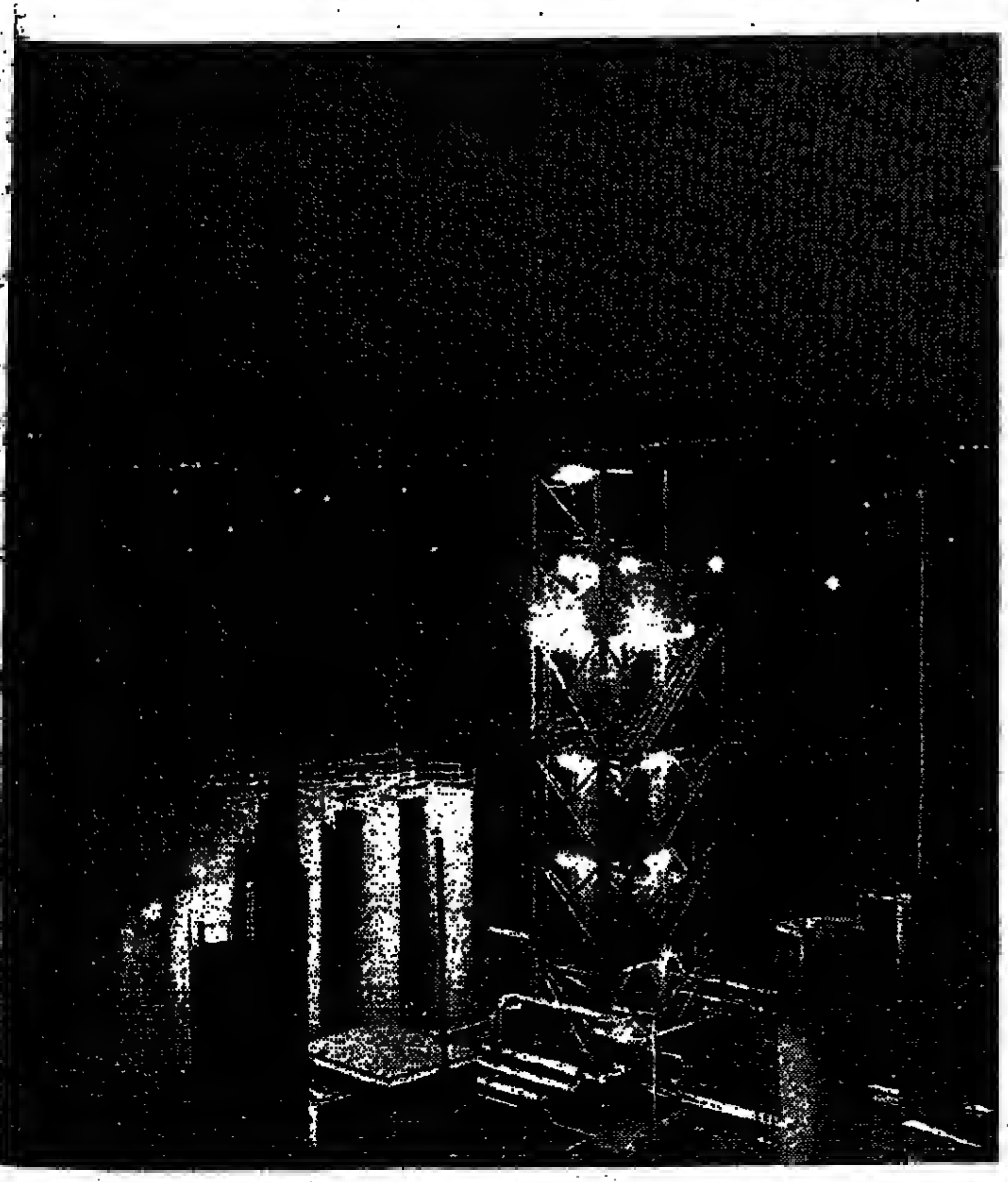
The only means in sight of ending the cycles is British membership of the European Economic Community. The EEC process plant industries suffer from a eimilar problem—bnt the cycles there appear to operate at such a rate that British participation would cause a flattening out on all sides.

Previously, it bad been suggested that the upturn seen in the past two yeara would continue. But drastically reduced investment forecasts from the chemical industry in particular bas substantially altered the likely picture, while the growing delays afflicting attempts to gain planning consent for refinery projects could seriously affect spending by the oil refining industry. That, at present, is expected to rise sbarply, compensating for the decline on the chemicals side.

In consequence, says the Working Party, plant manufacturers will not be able to look for expansion of their business through bome market growth.

Either direct sales to final clieots overseas, difficult save perhaps in the Middle East and North Africa because of the structure of the indnstry, or sales to foreign-based contractors look like becoming essential. Both courses of action could prove exceedingly bard going, both on technology and price-competitiveness grounds.

For contractors based in Britain, the picture is much brighter. Their export orders this year are expected to amount to £400m., of wbich 60 per cent. is accounted for by hardware, against £190m. in 1970 and £150m. a year earlier. The bardware conteot of those deals, of course, is not necessarily supplied by the U.K.; a qnarter has to be ordered abroad for reasons like currency shortage or licence conditions, and another quarter is ordered from overseas because it is better or cheaper.


High vacuum distillation plant at North Western Oil's premises at Teesside, Co. Durham.

PROCESS PLANT II

# Rapid transformation in the gas industry

By ADRIAN HAMILTON

There can have been few industries which have transformed themselves quite so fundamentally and so quickly as the U.K. gas industry. Traditionally a manufacturing concern based on coal, with limited, high-priced markets; in the late 1950s and early 1960s the industry moved strongly towards a new technology of oil-based "town" gas. Barely had this development got under way than the discoveries of natural gas in the North Sea once again revolutionised the picture and started to change the whole direction of the Gas Council and Area Boards from a manufacturing to a marketing basis.

As the industry emergea into the 1970s, this latest revolution is already beginning to come to fruition. Enough gas has been found and contracted for in the North Sea to more than quadruple sales and take over almost entirely from coal or oil-based supplies. The peak of work on laying bulk transmission lines has now been completed and conversion of appliances among customers is well under way. Within the next few years the industry will have completed most of its natural gas programme and by 1976 there will be little of the old industry left.

The implication of these changes for the process plant contractors and manufacturers has heen far-reaching. The industry has ceased ordering town gas plants from the early days of natural gas and has already reduced the number in service to 111. By 1977, almost all of these will have been closed as well. At the same time, the alternative opportunities brought by the enormous investment in converting the system to natural gas are also beginning to decline as the main transmission system nears completion and conversion—a field in which a number of contractors are now involved with specially-created subsidiaries—begins to reach its climax.

## Fall expected

According to the recent survey of opportunities by the Process Plant Working Party of NEDO, total capital expenditure in the gas industry having reached a level of £150m. and £155m. in the last two years, is expected to fall to £136m. this year and £116m. next year before levelling out at £118m. per annum in 1973 and 1974. Mains transmission and mains distribution will still form a large part of this overall figure hut, while expenditure on mains distribution should keep to about £38-40m. a year over the next few years, investment in mains transmission will fall from over £85m. last year to £55m. this year and then down to £36m. in 1972, £46m. in 1973 and £48m. in 1974. Expenditure on plant and machinery in gas manufacture will virtually disappear to about £1m. a year in 1972 and 1973 and almost nothing the year following.

The main opportunities for large-scale work lie in compressor stations along the transmission lines, in liquefied storage being introduced at the extremities of the system and in processing capacity on the coasts to deal with new supplies of natural gas.

On the compressor side, the Gas Council has already completed two stations at Alrewas and Ambergate and has three more under construction at sites near Peterborough, King's Lynn and Churchover. There are also a further five now being planned, two on Number 3 Feeder, one at the junction of Number 1 and Number 7 feeders, near Scunthorpe, and another couple for Number 5 feeder.

## Further projects

In the field of storage, where expenditure is expected by NEDO to rise from £11m. last year to £16m. this year and another £16m. next year before levelling out at a level of £12m. and £11m. in 1973 and 1974, the main development has been the introduction of liquefied storage with associated liquefaction facilities. In addition to the storage at Canvey Island, using gas from the LNG contract with Algeria, the Gas Council is now constructing a plant at Glenmavis in Scotland and has plans for two further projects at Partington and Hirwin, South Wales, as well as underground storage at Ambergate.

Finally, there remains considerable prospects for further terminal and processing facilities for new supplies of North Sea gas. The Gas Council, in association with the producing partnership of Conoco-National Coal Board, is already constructing a third terminal at Mablethorpe in Lincolnshire to take deliveries from Conoco-NCB's Viking field, due to start producing late next year and the site has room for further expansion should new fields be brought in off the coast. Facilities at the Bacton terminal in the meantime have been expanded to take gas from Indefatigable field, while, further in the future, there is at least a possibility that gas from some of the major Norwegian fields of Frigg, Cod and Ekofisk could be landed in the U.K., should the Norwegian Government approve the idea of exports from its sector of the North Sea. Phillips gas from Cod and Ekofisk, at least, might be directed towards Teesside, while there is talk of a liquefaction plant on the Shetland Islands as the best means of dealing with northern finds such as Frigg.

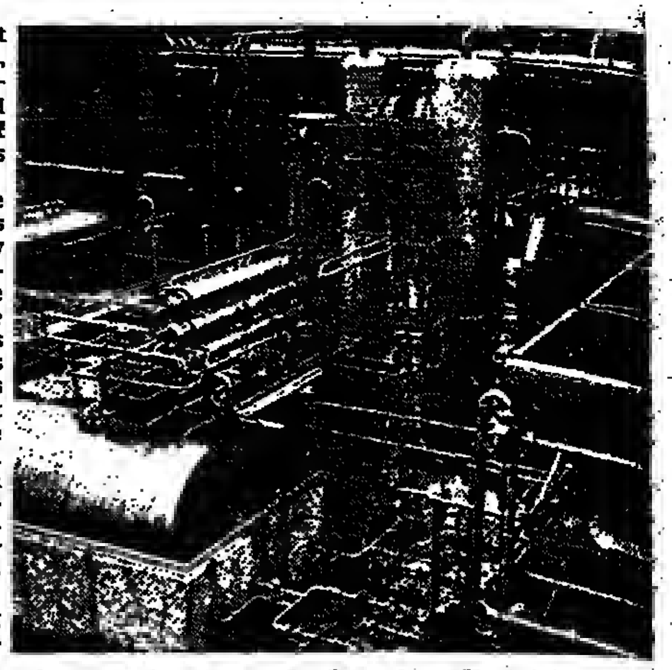
But, while the overall home market has declined in the gas field, a number of exciting new opportunities of gas manufacturing plant have arisen in the last few years abroad. The U.S., in particular, which has long relied on plentiful supplies of indigenous natural gas, is now facing the bleak prospect of gas shortages by the middle of the decade and a substantial gap in supplies by 1980. In Japan, demand for gas—previously relatively small in comparison with the total energy market there—has risen dramatically as the advantages of the fuel as a means of combating pollution have become increasingly forceful. In Europe and the U.K., governments are now having to plan against the time later in the decade and in the 1980s when indigenous supplies of natural gas are no longer enough to meet te strong rise in annual demand.

The development has turned attention abroad to the possibilities of supplementing natural gas supplies though the production of substitute natural gas (SNG) from oil and has resulted in increasing interest in the U.K. gas industry's experience in gas manufacture. Of particular interest has been the Gas Council's technology for oil-based manufacture of methane, developed in its research divisions over the past two decades. The Council, and the British contractors involved in building plant for it, had for some time developed technology for production of town gas from lighter fractions of oil—more especially naphtha—using a patented Catalytic Rich Gas process (CRG).

## Plants abroad

The process, licensed to contractors, has already been used in the construction of a number of "town gas" plants abroad, particularly in Japan (where Humphreys and Glasgow has built four plants with the possibility of one or two more still to come), and more recently in South America at Sao Paulo.

With the coming of natural gas, the industry turned its research interest to the creation of substitute natural gas (which has a different calorific value and make-up), using the same processes and licensing contractors such as Humphreys and Glasgow, Power Gas, Woodall Duckham and Whessoe with the CRG process. An SNG plant using the process has already been built in Italy as part of a Liquefied Natural Gas complex at La Spezia and there has been interest shown in Japan and elsewhere, but the really big market has emerged in the U.S. over the past two years, and both the Gas Council and the U.K. contractors with the process are now looking for considerable business in North America.



Automatic removal plant installed at the Isle of Grain Works of the South Eastern Gas Board.

Although U.S. companies such as Kellogg have been licensed with the process the opportunities have been particularly good for U.K. contractors, for in this case they have the advantage not only with the process but also with their considerable experience of the engineering and construction problems associated with gas manufacturing plant.

Humphreys and Glasgow, in association with Lummus, has already announced orders for two plants, worth $52m., from Consumers Power Company and Brooklyn Union Gas Company, and more recently has been involved with Lummus in a major $25m. contract with the Algonquin Gas Transmission Company of Boston. Under the terms of the agreement between the two contractors, Humphreys and Glasgow (International) is responsible for the fundamental process design and performance of the gasification of the plants, while Lummus has been sub-licensed to engineer and construct them.

At the same time, Power Gas, through its U.S. subsidiary Wellman-Lord, has gained an important SNG contract with Columbia Gas, while Woodhall Duckham, in a sub-licensing association with Bechtel of the U.S., is thought to be also negotiating a substantial U.S. contract for a SNG plant using CRG process.

The catalytic part of this [pro]cess has been licensed [to] Laporte Industries and which is building cata[lysts] through its 50 per cent. subsidiary, Catalco.

## Five contracts

So far the Gas Council a[lone] has gained royalty busi[ness] worth about £2m. in all [from] the CRG process for substi[tute] natural gas. The five contr[acts] so far negotiated or in the [pro]cess of negotiation in the [U.S.] cover plants with a capacity [of] about 900m. cubic feet per [day] and the total potential dem[and] for SNG plants in the country [is] expected to grow to more t[han] three times this amount wit[hin] the next few years. Long term, the Gas Council and U[.K.] contractors are also involv[ed] with research technology on [the] manufacture of substit[ute] natural gas from crude oil [and] the heavier oil products throu[gh] an oil hydrogenation proce[ss] either by the gas recycle hyd[ro]genator (GRH) method or [the] fluidised bed hydrogena[tor] (FBH) process.

These processes, though l[ess] commercially advanced th[an] CRG, do not suffer from t[he] same limitations of feedstock [as] CRG and could have consid[er]able potential longer-term. GR[H] has already been used exte[n]sively to supply high calorif[ic] gas with which to enrich t[he] lean gas from ICI steam hydr[o]carbon reformers up to tow[n] gas value; and the process [is] licensed to a number of co[n]tractors, including Power Ga[s,] Humphreys and Glasgow a[nd] Whessoe. The process, howeve[r,] cannot cope easily with cru[de] oil and sulphur, but it cou[ld] have potential uses when intr[o]duced into a complex wi[th] desulpherisation of fuel oil.

FBH, on the other hand, ca[n] use crude oil with sulphur an[d] has, therefore, much wid[er] applications. The technolog[y] however, is still at a relativel[y] early stage and the process i[s] expensive. The Gas Council [is] already associated with [a] Japanese pilot plant run b[y] Osaka Gas, but really needs th[e] impetus of a commercial plan[t] in the U.S. to get a take-off i[n] demand. It is now discussin[g] with two U.S. consortia th[e] possibilities of setting up [a] demonstration plant.

Just how big a market th[e] substitute natural gas field wil[l] provide for U.K. industry is stil[l] uncertain. Competition from Lurgi, the German group, i[s] strong, while a Japanese com[pany], Japanese Gasoline, ha[s] also entered the field with [a] process. But the potential i[s] clearly very considerable and on present performance at least, both the U.K. gas industry and the plant contractors and manufacturers have shown themselves in a strong and aggressive position to tackle it.

# Planning for a bigger electricity demand

By HAROLD BOLTER, Industrial Correspondent

Official estimates of the growth of electricity consumption in the U.K. have been scaled down appreciably over the last few years as a direct consequence of low national economic and industrial growth. If there is any consolation at all for process plant manufacturers it is that power station plant ordering is now "about at its nadir," in the words of the Central Electricity Generating Board, and should tend to increase from now on.

Reflationary measures brought in by the Government over the last six months should also help to bring about improvements in a market which has fallen sharply in the last year. Overall growth in the economy on the scale now being predicted by the Government should bear directly on the market for electrical plant eventually.

## Recent slippage

The process plant industry's interest in electricity supply is a significant one, despite the recent slippage. The industry supplies hoilers, nuclear heat exchangers, pipe-work, condensers and feed water heating plant, pumps, valves, controls and instrumentation to this market.

The extent of the fall in demand is clearly shown in official returns from the CEGB and the Scottish electricity board. In 1970 orders for process plant equipment were worth £53m., with a 20 per cent. weighting for erection costs, but this year the value of this business is not expected to exceed £39m.

The extent of the cut-back which has taken place in orders for process plant from the electricity generating industry is more clearly shown by a comparison with earlier years.

In 1965 orders placed by the industry for process plant were worth £56m., by 1966 they had risen to £84m., and by 1967 they amounted to £92m. Since then, however, they have fallen sharply, to £84m. in 1968, £66m. in 1969 and £42m. in 1970, when erection costs are discounted.

This, inevitably, has had a strong effect on employment within turbo-generator manufacture itself and on ancillary industries producing process plant.

Recent heavy redundancies in the electrical plant industry itself underline the extent of tha problem created by the CEGB's reduction in its investment forecasts. A considerable part of the 10,000-11,000 reduction which has taken place in the 200,000-strong labour force of the General Electric Company can be attributed to this reduction in CEGB ordering and redundancies within Reyrolle-Parsons have similar roots.

One of the major problems for the industry is that caused by fairly violent shifts in the level of orders it receives from the electricity supply industry in the U.K. Although these movement are to some extent predictable this is not always the case.

Forecasts of likely future demand for process plant to be used in electricity generation in the U.K. must be treated with some caution, as they were pre-

Continued on next page

PROCESS PLANT III

# High cost of credit cuts Britain's export chances

By DAVID CURRY

Britain's exporters of capital equipment are becoming uncompetitive not because they are asking too mnch to do the job, but becanse the credit terms they can offer are in many cases substantially higher than those extended by other conntries.

This view is widespread among British exporters. They report that their customers are balking increasingly at the cost of credit. But, so far, they appear to bave failed to convince tha Government of their case for cheaper credit.

At the centre of the growing discontent is the Government-backed Export Credits Guarantee Department, through which export credits are insured. About a third of the value of British exports leave these shores under ECGD cover.

The vast majority of exports are financed under supplier credit arrangements, where the exporter sells on credit terms and arranges the financing of the credit as a purely domestic banking operation.

## ECGD guarantee

Increasingly, bowever, British capital goods exports are now being financed under ECGD buyer credit arrangements, where a Britisb bank or syndicate of banks makes a loan direct to a foreign borrower. This loan is unconditionally guaraoteed by ECGD and is used to pay the exporter on the equivalent of casb terms. Clearing banks bave become increasingly interested in negotiating and managing loans under ECGD buyer credit facilities. Generally, they co-operate with the merchant banks so that the merchant bank is the syndicate leader and the clearer puts up the mooey.

The ioterest rate for this kiod of leodlng is fixed. It is now 7 per cent., having been 5½ per cent. until October, 1970. The 5½ per cent. rate was preferential compared with a Bank Rate of around 8 per cent. With Bank Rate now 5 per cent. many exporters regard the 7 per cent. rate as punitive. However, the attraction of tha rate originally was less that it was preferential than that it was fixed for the life of the loan.

There are three broad types of buyar credit facility. These are: *(i) Financial Guarantee.* Designed for major capital projects. The buyer generally pays 20 per cent. direct to the exporter including at least 5 per cent. on signature of contract. The balance is paid to the exporter by the bank handling the loan arrangements. Repayment period varies between five years and (very unusually) 15 years.

*(ii) Buyer Credit Guarantees.* A "mini" form of Financial Guarantee generally for projects of less than £1m. with a five-year credit period.

*(iii) Line of Credit.* British banks put up credit np to a specified amount which the buyer can call on to pay for purchases mada in this country. It operates rather like a current account. The buyer is free to baggle with producers over the price be will pay.

It is usually claimed that buyer financing under ECGD cover bas advantages over sopplier credits. When the rate was 5½ per cent., this was so. Work in progress could be financed from the loan, paying interest on these borrowings at 5½ per cent., less than it would bave cost the exporter to finance work in progress. With tha rate at 7 per cent., the exporter can borrow money in the market place at more than 2 per cent. cheaper than the buyer is able to do.

Financing charges under a buyer credit arrangement are payable by the borrower. He is therefore able to identify them for his own assessment of costs of a project or tender. The result of the 7 per cent. rate bas been that prospective customers are telling British companies that their tender is acceptable and their prices right, but the cost of borrowing the money to pay that prica is too high.

## Berne agreement

The above complaints deal with the 7 par cent. rate. But it is difficult for companies to prove that the high rate is why they lost a contract. It is difficult to assess the rates being offered by other countries, since the opportunities for administrativa sharp practice, despite the diligent obeisance towards the Berne Union agreements, are legion.

Generally it is estimated that the French rate works out at something under 6 per cent. (though I have seen it worked out at nearer 7 per cent.) and the Japanese rate at 5 per cent. It must also be remembered that the cost of ECGD cover and certain bank charges must be added to the 7 per cent., bringing it to about 7¾ per cent. ln practice.

Complaints are also levelled at the length of credit being offered. The ECGD will improve terms if it can be proved that other countries are offering better—the so-called matching principle. Apart from belng very difficult to prove (competitors do not naturally tend to disclose information to an enemy), there is little heroic about a policy of always being one move behind the opposition.

Credit is part of the competitive nature of any bid, bnt it is the part over which the bidder bas no control whatsoever. Some companies bave been obliged to subsidise their purcbaser's borrowings by carrying part of the cost of a 6 per cent. rate. But companies cannot do this and make money. The absurdity is tbat in this situation ECGD is carrying exactly the same risks as if it were 7 per cent.

A further charge levelled against ECGD is that it is very difficult to get a quick decision because it is so difficult to approach the mandarins in the Treasury. As one exporter put it: "It is the ability of the other side to move quickly wben we are bogged down. An Italian can get an answer with one 'pbone call. It takes a week from London. The Treasury seems to think that the country can only lend the equivalent of its trade balance.

"There is no distinction in the market between those countrias that can afford to pay and those wbo can't. Kuwait is still paying off loans at 5½ per cent. wbile it bas balances in London earning 8½-9 per cent. Some oil countriea are lending to poorer countries and borrowing from us."

A final complaint is that ECGD cannot send its men overseas to tha scene of action. Everything must be done by reference to London.

ECGD, baing a Government-financed body, finds it bard to answer these criticisms directly. However there are defenders of the logic of 7 per cent. rate.

They point to the general Bank of England relaxation on the monetary system. There is now, they believe, far less of a deal to be done on fiddling liquidity ratios and less room for the Bank of England to do a deal on liquidity requirements. (The money leot at the export interest rate did not come under the lending ceiling imposed on the clearers). Also, the freedom in the lending market seems likely to push commercial interest rates up whatever tha Bank Rate is doing. There will be a lot of extra lending at higher rates, and, if marginal lending rates sboot up there will be a suctioo np on interest rates. Why, they point out, should banks bother with a 7 per cent. export rate wben they can earn bigber rates on risky ventures.

If this analysis is correct, then there seems to be a case for subsidising export lending by the Governmeot. This is one solution, but simpler schemes have been put forward.

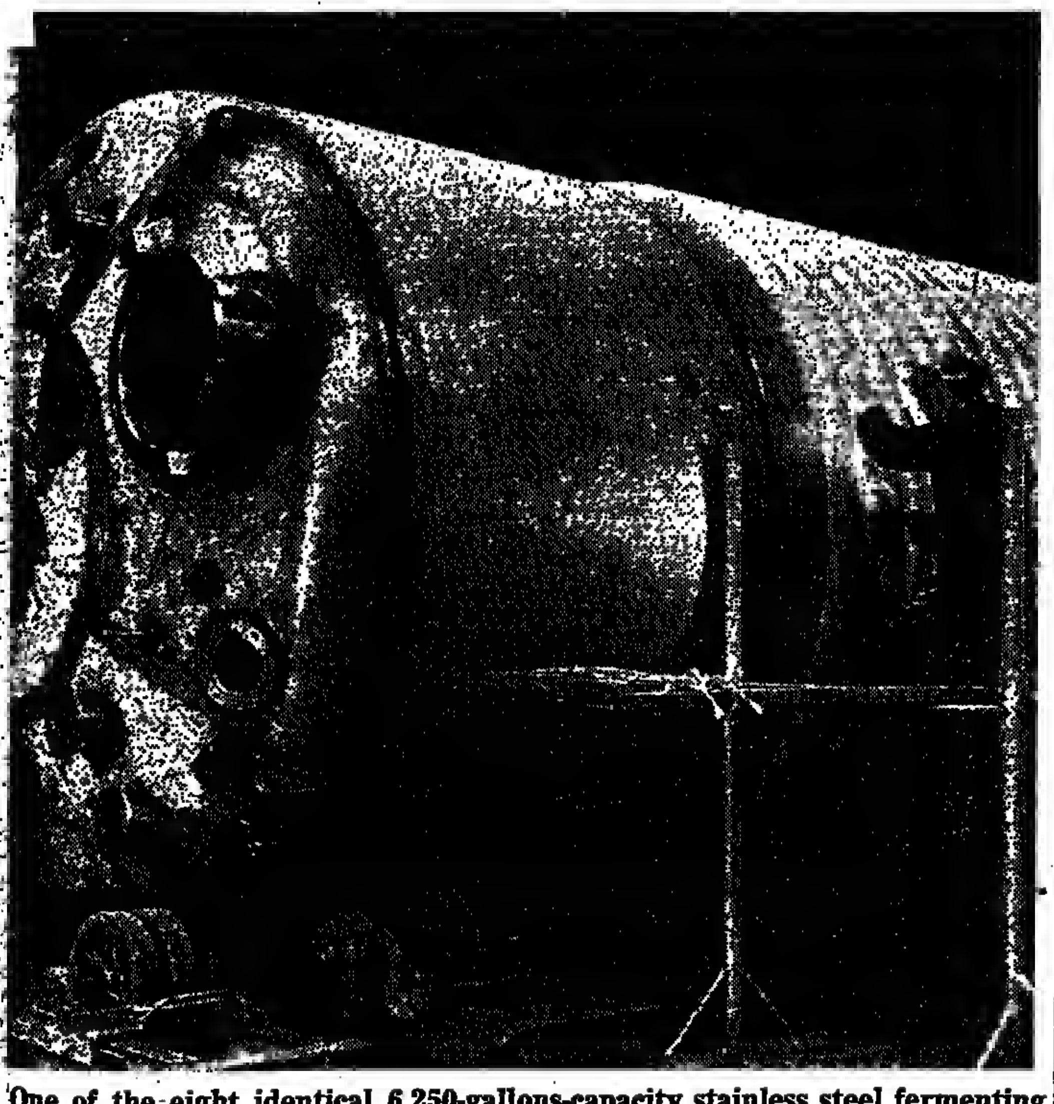
## Rate cut

The first is the simplest of all —a straight cut in the rate. The British Export Housea Association bas called for a scbeme wbereby the major exporting concerns would establish a fuod into wbich they would pay wheo rates were low and from which they would subsidise high rates. The general effect would be a constant 6 per cent. rate.

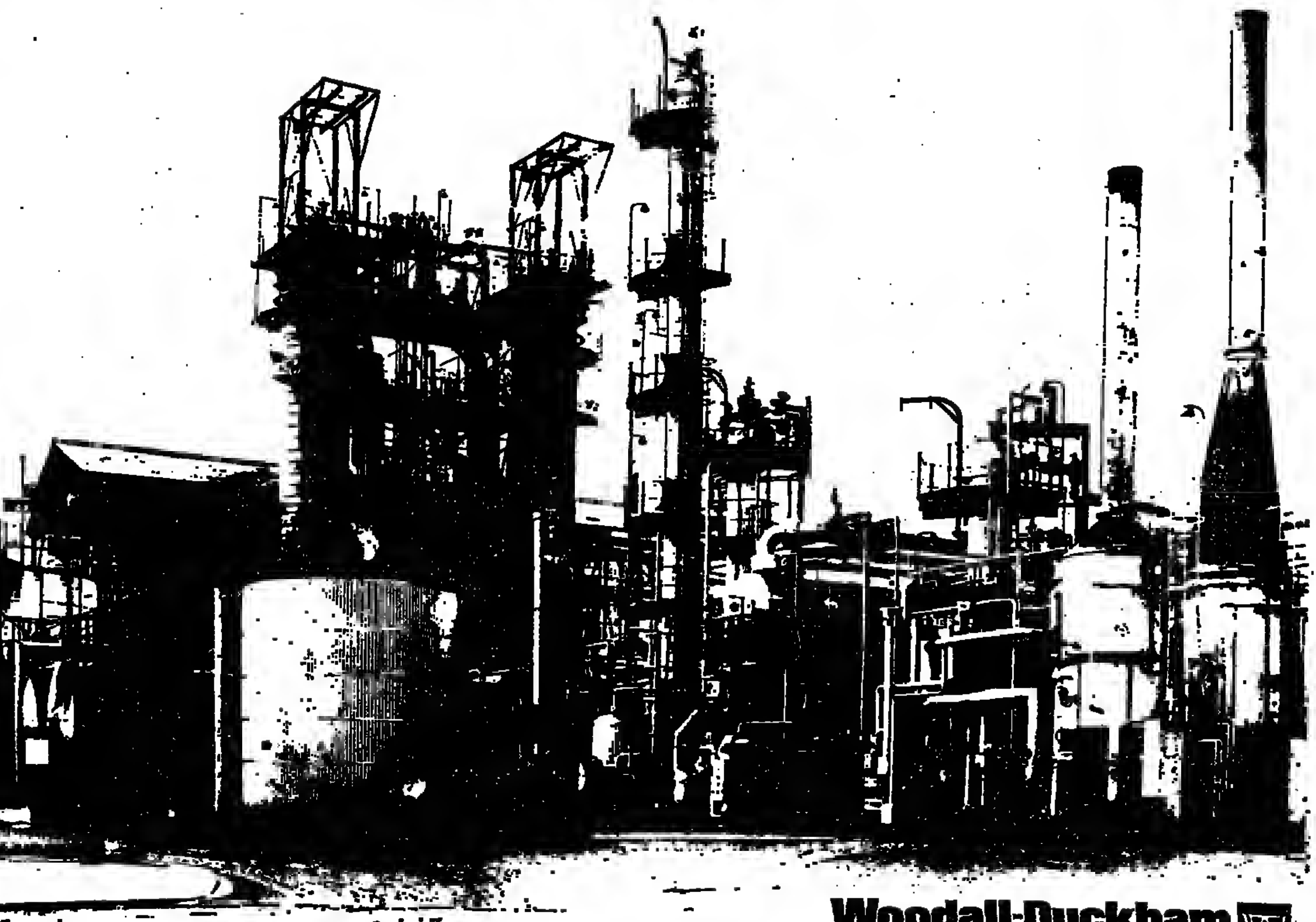
The most radical solntion is for the establisbment of an export-import bank. This is not going to get very far at the moment. Exporters are generally doubtful wbether the Government would give the Bank the independence and scope necessary to make it worthwbile. This would include tbe authority to lend money, and merchant banks enabled to leod money at any rate they could negotiate. The best solution, according to some exporters, and one whicb would overcome the reluctance of the City to surrender its expertise in financing, would be for the merchant and joint stock banks to form a conglomerate in the export field. This would enable exporters to bave access to the different skills of the banks and their individual experience in particular markets.

However, ECGD itself disposes of a great deal of expertise, and exporters unfailingly praise the personal help they get from the Department. Their complaints are ones of structure and authority. The Department is moving to close an important gap in its cover by introducing insuraoce against political risk and it may ultimately accept the strong tendency for buying countries to insist on arbitration on their own soil and in their own courts. It is also beavily iovolved in work iovolved in Britaio's probable eotry into the EEC, and it is clear that the Governmeot is boping for a more rational and standard European framework for credit insurance.

Meanwhile, companies are being faced with the simple choice: lose the order because the rate is too high or fail to make money on the contract because the rate has to be subsidised. Our balance of payments is artificially high. Exporters need assistance now, wbile we have some time in hand, rather than later wben they are being exhorted to go out and die for their product in patriotic tones by politicians telling us that we are always at our best wben we bave our backs to the wall.



One of the eight identical 6,250-gallons-capacity stainless steel fermenting vessels at the Hyde works of SSV Ltd., Cheshire.



# Electricity —(Cont'd)

Continued from previous page

...ared before the Budget and subsequent measures were introduced. For this reason an estimate of spending on process plant equipment at the rate of about £37m. next year and some £38m. in 1973 may turn out to be on the low side, altbough there will be a two- or three-year lag before the real benefits of reflation show through.

Another factor whicb may have an important influence on the situation is Britain's likely entry into the Common Market. If membership of the EEC bas the dynamic initial impact on industrial production whicb it had for the present members of the Community there would be a noticeable improvement in ordering by tbe electricity supply industry.

For the moment, however, process plant manufacturers can only plan for the future withio the context of a forecast of a 5.5 per cent. advance in demand for electricity in the U.K., rather than the 6 per cent. believed to be possible earlier.

The Association of Supervisory and Executive Engineers has pointed out that entry into the Common Market will have other implications for the beavy electrical plant industry, and therefore for process plant manufacturers in general.

An enlarged EEC will bave a considerable surplus of manufacturing capacity in the overall area of turbo-generator production and by the late 1970s the main export potential for this equipment could well lie in the hands of European, rather than American or Japanese, manufacturers.

## Technical links

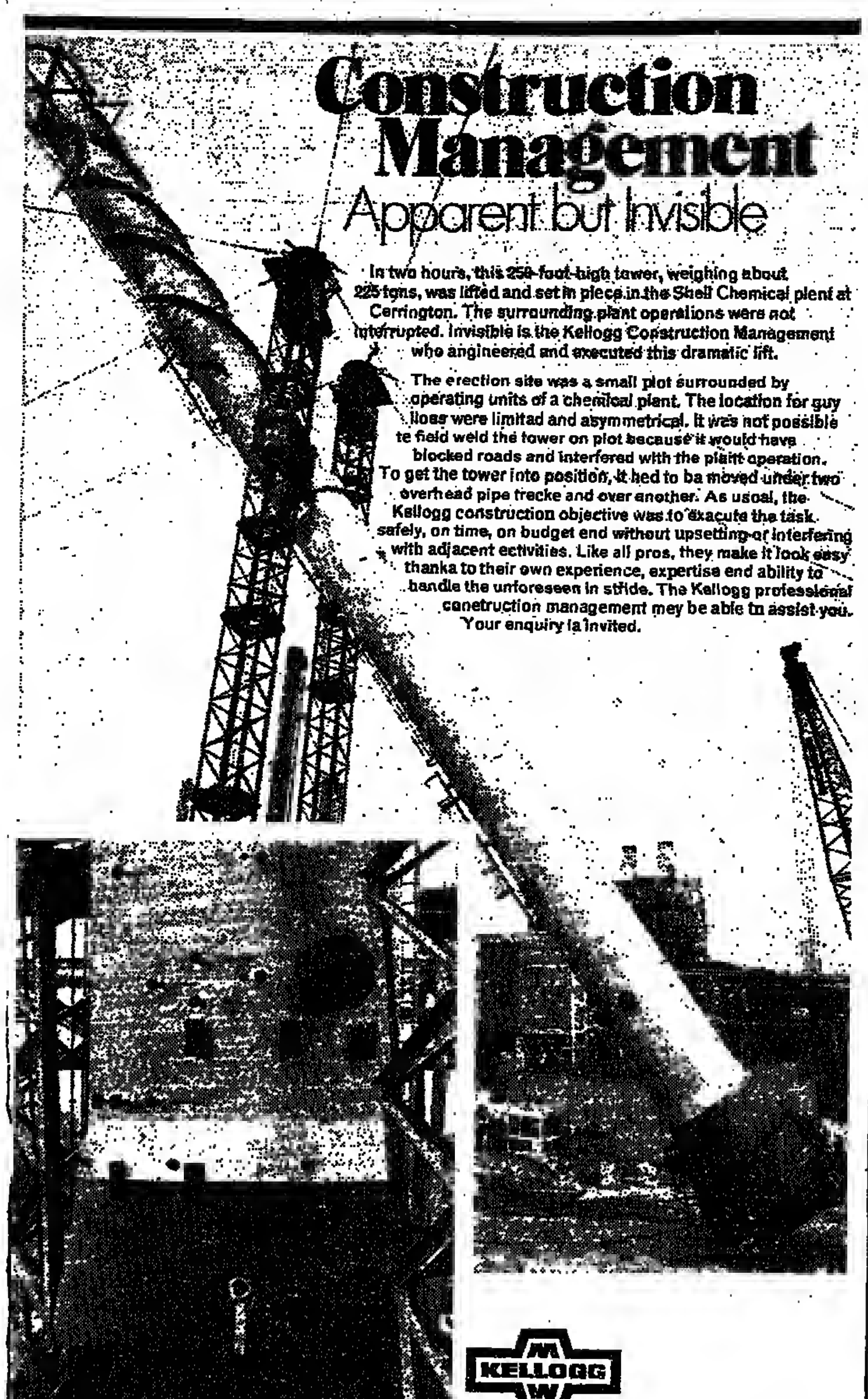
Mr. Stanley Steward, the association's President, feels that there is scope for technical links, working arrangements or full-scale mergers across national frontiers in Europe in the field of turbo-generator production, and this suggestion could equally well apply to process plant manufacture.

Equally, he feels that perhaps as few as three or four large companies will remain "economically tenable" in the field of turbo-generator manufacture by the late 1970s. This, in itself, would bring pressure within the hardware sector of process plant for the formation of fewer and even larger undertakings.

It is imperative, however, as Mr. Steward points out, that a policy of open tendering should apply equally to all substantial electricity utilities, private and public, within the enlarged EEC. Unless this is so, manufacturers in Britain would have grounds for complaint, and tbe CEGB would be justified in restricting its teoder lists.

Nevertheless, the Common Market presents process plant manufacturers with a considerable opportunity, particularly those companies with sufficient technical expertise and design and marketing ability to take advantage of the lowering of tariff barriers.

The U.K. market, although disappointing over the last three years, should begin to revive soon and could become extremely buoyant towarda the end of the decade with demand for electricity growing more strongly and nlder plant needing replacement.



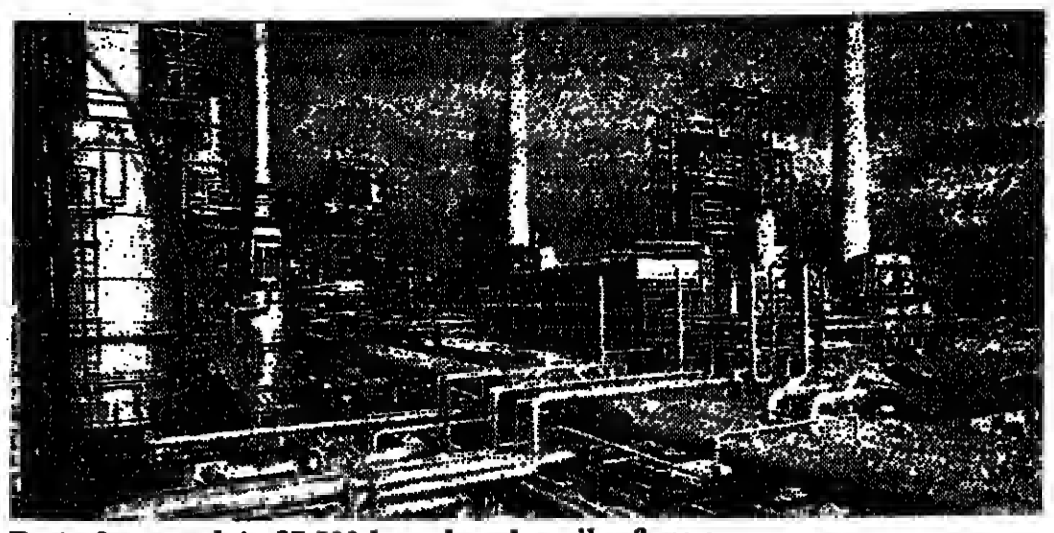
PROCESS PLANT IV

# Optimistic prospects for oil refining

By ADRIAN HAMILTON

In contrast to the chemical and other major processing fields, oil refining in the U.K. has emerged from the past few years of general economic sluggishness with highly optimistic prospects for growth. Though U.K. energy demand has not increased at the sama rate as Western Europe as a whole, it still remains strong. The decline of coal and the delays in the nuclear power programme hava left oil as the major form of primary energy over most of the last decade, while the tightness of supply last winter hes dramatically illustrated the country's dependence on healthy refining capacity. It has also enabled the industry to achieve higher profit lavels in the market than for many years. Refining capacity in tha U.K., having already more than doubled frnm 49.2m. tons per annnm in 1960 to 112.5m. tons last year, is now predicted to reach 135.5m. tons in 1973 and over 150m. tons by the middle of the decade.

A recent survey by the Process Plant Working Party of the Netional Economic Development Office has pointed to an especially strong surge of investment by the industry over the next few years. Though delays in completion and execution of certain projects produced an overall £74m. capital expenditure on petroleum refining last year, some £11m. less than previously forecast, expenditure this yeer is predicted to reach a level of about £123m. and to rise again to £154m. in 1972 and £160m. in 1973, before falling to below £100m. in 1974 as the major projects are brought on stream.


Part of a complete 87,500 barrels a day oil refinery.

## Major projects

This, the report argues, is about donble the level achieved last year and is mainly due to a large number of major new projects which have been brought forward since the Working Party reported last year, partly as a result of the re-thinking that has followed last year's energy problems. Some 40-50 per cent. of the total refining expenditure is on manufactured goods, mainly process plaot and largely individually designed, rather than standard items. The report also predicts a rise in expenditure on distribution facilities in the oil industry over the next few years. After some deferment of pipeline projects, total investmant is expected to rise from £46m. last year to £62m. this year and then up to £78m. and £65m. in 1972 and 1973. About a third of this expenditure on distribution facilities, according to the report, will be on manufactured goods, almost all of them standard items.

A large part of the investment over the next four to five years will be dominated by the traditional marketers in the country as they expand existing facilities. Shell, which is now separating all its brand marketing from BP's within the Shell-Mex and BP group, has announced major investment projects at two of its refineries. Capecity at its major Sbell Haven plant is to be increased from 9m. toos to 18.5m. tons in a £50m. programme which will make the refinery one of the largest in Europe by the time the extension comes on stream in 1974. At Stanlow, its other major site, capacity is also being almost doubled from 10m. to 19m. tons in a £75m. programme due for completion in 1975, despite the slowdown end reappraisal of the associated chemical plant investment. As part of the Shell Haven project, the group is planning to install its first European hydrocracker. Fluor (England) and Foster Wheeler and Whessoe are among the contractors involved.

Esso, the second largest marketer in the U.K., bas started work on a £30m. programme at Milford Haven that will take its capacity there from 6.3m. tons to 15m. tons. The main contractor is Foster Wheeler and the new units are due to come on stream by early 1973. At the same time, the company ia also completing an expansion of its Fawley plant facilities to raise capacity from 16.5m. tons to 19m. tons by the end of this year.

British Petroleum, which expects to land the first U.K. North Sea oil from its Forties Field off Scotland by late 1974-early 1975, is now "seriously considering" further expanding its Grsngemouth plant, where capacity has only recently been raised from 4.5m. to 9m. tons es part of a £73m. oil/petro-chemical investment programme. The latest plan would involve doubling capecity again to ebout 19m. tons at a cost of about £30m., partly to absorb North See oil piped from Forties Field to the coast at Petershead end then south on-shore to Grangemouth.

Of the otber existing refining groups in the U.K. Burmah is now completing its long-deleyed £30m. programme at Ellesmere Port (with Kellogg as main contractor). The project is designed to take capacity there from 270,000 tons a year to 1.5m. tons and eneble the group to be almost self-sufficient in supplles of lubricants and white oils. Gulf is extending certain facilities at its Milford Haven plant and both the Total-Petrofina partnership and Mobil are planning "de-bottlenecking" exercises at their U.K. plants.

## Recent entrants

In addition to these major expansion projects, whicb will form the backbone of new investment over the next five years, there is also a number of a more recent entrants to the oil markets seeking new refineries of their own in the U.K. The most immediate of these is Amoco, wbicb recently gained planning permission fnr e lerge 4m. tons-a-year plant at Milford Haven. Work on tbe £40m. programme, with Procon as the main contrector, is now under way and completioo is expected in 1973.

In South-East, there are a further three major projects now awaiting planning epproval. On Canvey Island, Occidental Oil is proposing e 5m. ton refinery complex at the same time as ENI and in association with Murco of the U.S. is seeking for permission to build e 4m. ton a-year plant on an ENI site nearby. More recently, Total and Burmah, both of which heve refining cepecity elsewhere, heve joined together to seek a 6m. ton a-year project at Cliffe in Kent.

Efforts to build new refineries in the U.K., however, have raised a serious problem over planning permission in the lest few years. Both Murco and, earlier this year, Chevron bave been refused permission to build plants in the Clyde Estuary area of Scotland after long delays and considerable argument. Amoco itself bad to wait more than 15 months for permission and there is still considerable opposition by local interests to the idea of constructing two new refiineries on Canvey Island.

The issue is far from being a simple one. On the one hand, there is little doubt that the country will need a high rate of investment over the next ten years if a shortage of indigenous refining capacity is to be avoided. So far, the U.K. Government has followed a generally successful policy of encouraging self-reliance on oil products within the country, but it is clearly a policy which could be damaged if new companies to the market find too many obstacles to building refineries in Britain. Chevron has already made it cleer that it might prefer to seek alternative European supplies from a plant on the Continent and similar warnings heve come from Occidental and Murco, in the eventuality that their plenning applications are turned down.

## Little doubt

Against this, there is little doubt that the strength of local feeling against new process plant on the scale of modern refineries has become politically powerful end is far from unjustified. The ettrections of the U.K. to oil companies is also stronger than their warnings might sometimes suggest. The coastline has good ports and deep water to handle large tankers. The merket is a large and growing one and the conditions relatively free from state restrictions. What is needed is a better, "warning light" system for projects likely to be sensitive and a more efficient method for speeding up the whole planning application process without damaging e fair hearing for all interests. Most of the pollution problems associated with refineries can be solved et e cost as can the problems of siting them. Better understanding between the oil companies and local interests coupled with much earlier consultation between them, is developing. While the problem is bound to continue to delay projects end upset them, the opposing interests of environmental versus economic need are not of necessity incompatible over the long term.

While refineries will remain the major, and most troublesome, field of oil activity for the process plant industries however, the discovery of oil in the North Sea is also raising new and dramatic opportunities. At least two oilfields bave been already discovered in the U.K. and by the latter half of the decade as much as ½m. or more barrels of oil a day could be flowing to the U.K. coast. This will involve major crude oil pipeline investment by the oil companies as well as substantial expenditure on termioal and processing facilities on the coast. So fer, most of the work has been done by U.S. contractors (who have more experience of off-shore exploration and production), but as development gathers pace the opportunities will be there for the more enterprising U.K. companies to take adventage of.

# New move towards stability

By Commander J. A. HAMER, Director, Process Plant Association

The process plant industry has five main customers, the chemical industry, the oil and petroleum industry, the power-production industry, the steel-making industry and the food and drink processing industry. Of these the first two absorb about 60 per cent. of the plant manufacturing capacity.

The users are thus fairly clearly defined and are either direct customers or work through contractors; in either event they are usually fairly large and powerful. They compete, for the most part, in international markets and have over the years managed eithar to standardise their products or to hreak through with new lines, all at least on mass or serial production lines.

The plant manufecturers on the other hand are in an industry which is still fragmented, lacking in standardisation and spacialisation, and lives in e perpatual climate of "one-offs." They bave suffered for long in the "nut in the nut-cracker" situation with the near monopoly British Steel Corporation on the one side supplying the raw material and on the other side the large international oil and chemical companies, playing off against eacb other. They have been whipping boys for years and bave felt the lash of Government inquiries and some ill-informed comment in the Press.

## Depressed prices

The severe competition has led to depressed prices and very small profits and this together with the cyclical nature of the market has led to certain inefficiencies and the lack of enough liquidity to np-date staff and plant. At tha same time the need to work with as many as nine trade unions in one firm has led to undar-utilisation of labour. In times of short order hooks the well paid highly skilled men must ba kept on, as once paid off they are lost for ever, and expensive capital plant must stand idle, while customers complain of the prices. In times of plenty there is never enough capacity and customers complain of the deliveries.

It is to he hoped that the extension of the bome market when U.K. enters the EEC may do something radical towards levelling the continual three-to-four-year ordering cycle and lead to more stable trading conditions. Certainly present investigations with the Continental Trade Associations would endorse this hope.

Tha failure of the manufacturers to compete with the unexpected and unusually high demands in 1965-66 led to an investigation by a Committee of Inquiry on Pressure Vessels and later to one hy a Process Plant Expert Committee, and among their many recommendations they noted with concern that the interests of the manufacturers were represented hy so many trade associations.

During 1968-69, an investigation into the multiplicity of Trade Associations was carried out by the officers of some nine associations end gradually it became clear that the greatest difficulty in getting together lay in some associations being customer-orientated irrespective of product, wbile others were product-orientated irrespective of customer.

In 1970, the Councils of Tank and Industrial Plant Association, British Chemical Plant Manufacturers Association and Food Machinery Association, together with tbeir affiliated bodies Bakery Equipment Manufacturers' Society, Brewery and Bottling Engineers' Associetion and Dairy Engineers' Association, set up a steering committee to investigate the possibility of forming a single integrated association to act as a focus within the process plant industry. Its intention was to foster improvements in capecity and efficiency and at the same time to be eble to speak with a loud and authoritative voice to customer, supplier, Government and other bodies, and to the Press.

## Links established

The result of eight meetings of the Steering Committee has been the formation of the Process Plant Associetion (PPA) with over 300 members, representing fabricators, unit plant manufacturers and component manufacturers. This associetion came into being et the heginning of this month and is thought to represent about 80 per cent. of the industry's manufacturing capacity.

This first step has not heen taken without incident, but such incidents as there were have only served to show the need to ensure that further projects must he based on sound foundetions. Meanwhile it is boped that the Process Plant Association (PPA) will fulfil the bopes of its founders and prove of veluc not only to its members but also to custnmer, supplier, manufacturer and statistician. At least it will cut down half the alphabet to a mere three letters.

For the first two years of its existence the PPA will be governed by a "transitional" council drawn from the various constituent members at directors' level; under them at senior level will be specialist committees dealing with technical and commarciel metters. The Commercial Committee has already established links with the process engineering contractors and with the British Steel Corporation, which are proving of great value to botb sides. They have also arranged discussions on the harmonisation of European conditions of contract and terms of payment.

Technical activities have been made the responsibility of a Fabrication Committee and a Process Engineering Committee. On the fabrication side the Association has a joint technical committee with the other Trade Associations concerned and also with tha Britiab Steel Corporation. Considerahle effort is being expended on attempts to co-ordinate research and development, and also to iostitute a National Inspection Authority. Many members are working on new technologies and much work must he done to support them in meeting and redocing the risks involved. British, European and International Standards are under constant discussion.

The Process Engineering Committee will seek to monitor research of interest to members, and to maintein a close liaison with user industry associations on technological matters specific to tbose sections of the process industries, and will be particularly concerned to maintein the close tecbnical liaison with the Food Manufacturers Federation, which the Food Machinery Association enjoyed for some 20 years.

A further major task of the association is the examination of the effect upon its members of Britain's entry into the EEC, particularly with a view to expanding trading opportunities and investment.

PPA is represented on CBI Council, BRIMEC Council, NEDO (Process Plant Working Party), all relevant BSI Committees, the Welding Institute, and the Iron and Steel Consumers' Council. Links are maintained with all three European Trade Associations dealing with process plant and the association hnpes to continue to play its part in international and informal working groups and committees to the benefit of its members.

PROCESS PLANT V

# Chemicals side hit hard by inflation

ly JOHN TRAFFORD

To the pesaimist, news abont he chemical industry these days ems one long string of ckings, cut-backs and plant losures. The unprecedented growth in sales and profits uring the 1960s has become a ainful reminder of the con-rast between past riches and resent penury. No longer does he City glibly categorise hemical companies among the atural growth stocks.

Yet, despite the gloom, hemicals' supremacy among the rocess industries in terms of ew investment will go un-hallenged for many years to me. At present the chemical dustry accounts for some per cent. of process plant vestment in the U.K. Further-ore the industry, in common ith oil-derived energy but in ntrast with other process dustries, can gain sales not ly through a general quicken-g of the economy bnt also rough substitution of chemical roducts for traditional aterials. Steel, electricity eneration and food processing, n the other band, rely almost lely on an increasing demand sulting from e higher level of dustrial activity.

Although chemicals do have a ery strong strategic position in modern economy, the short-rm problems facing manufac-rers are hair-raising to say the ast. Over the past two years, e cost of chemical plant has hot up by anything up to 30 per ent.; the rapid rate of process nnovation, wbich held down roduction costs in the 1960s, as faltered; personnel and raw aterial costs bave spiralled nd, above all, the growth in emand has suddenly slackened.

British manufacturers, unlike ost of their foreign competi-rs have also found the net cost f new plant sbarply increased y Mr. Barber's switch last ctober from investment grants o tax allowances. True, the overnment's belp to capital lant investors is still exceed-ngly generous by international tandards; but tbat is little com-pensation to a British com-pany which bas based its rofitability calculations for a ew plant on the old cash grant ystem. The international oil najors who pay no U.K. tax ave inevitably been particu-arly bard hit by the new ystem.

## Strenuous efforts

To maintain or regain profits, anufacturers have made renuous efforts to pass on eir higher operating and raw aterial costs in higher selling rices. Progress on that front, owever, has been uneven. In e key petrochemical area—hich provides raw materials r plastics, fibres, paints end etergents—figures from the epartment of Trade and Indus-y suggest that prices are ris-g at an annual average rate of der 7 per cent. which is far low other chemical sectors d quite inadequate to counter e onward march of cost infla-on.

All too freqnently, companies have announced higher prices only to find that the over-supplied market would accept nothing of the kind. Last Janu-ary ICI Fibres announced a 7 per cent. rise ln many of its nylon filament yarn prices; yet within e few weeks the empbasis had switched from a substantial Increase to holding the tide against any further erosion of the pre-January levels.

Search as they may for other scapegoats, the industry only bas itself to blame for the present oversupply predicament which is the main obstacle to the in-dustry finding an effective re-sponse to the inflationary forces assailing it. Virtually all the large companies got their sums wrong, over-estimated future demand and over-invested in new plant. Those investment decisions were taken in 1967 to 1969 and the resulting new capacity bas been coming into operation during the past two years.

## Decline in prices

In ethylene, the most impor-tant single building block used in the petrochemical industry, productive capacity in western Europe will be almost doubled from the present level of 8m. tons a year when the plants alreedy under construction are completed in the next three years.

The chemical industry has had to live with periodic bouts of over-capacity in the past and has accepted more or less as a metter of course the resulting decline in prices. In all previous periods of oversupply, bowever, companies bave been able to count on e new generation of larger, more advanced plants offering lower production costs and on a big increase in demand triggered off by the price cut-ting. The first helped to main-tain profit margins, the second to keep the big new plants working at near full capacity—an essen-tial for profitable operetion in this very capital-intensive field.

This time, bowever, those means of fighting back to pro-fitability are not open to the big companies to anything like the same degree. The result has been that management have had to turn their attention to cutting back on future invest-ment plans; reducing staff numbers, closing down obsoles-cent units and even pulling ont of markets in which they are already well established.

The Sixth Report by the Little Neddy Working Party on Process Plant reflected very clearly the intention of U.K. management to go easy on new investment. In the 15 months between making inquiries for its Fifth Report in December, 1969, and for the latest one in February, 1971, the investment forecast for 1971 dropped from £392m. to £358m. (down 8.5 per cent.) and the 1972 fore-cast showed a very much larger decline of 20.5 per cent., from £392m. to £313m. Events which have occurred since last February make it likely that the actual drop in 1972 will if any-thing be greater in real terms. For 1973 the Working Party has forecast a further decline to £290m.

Unofficial estimates are cer-tainly anything but encourag-ing. The weekly journal Chemical Age in its annual review of current U.K. chemical investment reported that only £202m. worth of new projects were at the planning stage in mid-1971 compared with £392m. a year before. The figures included oil refinery investment and, when this is taken ont, the two-year comparison shows a drop of more then half.

Besides fewer new projects, the British cbemical industry is going ahead more slowly with wbat is in the pipeline. By far the most dramatic event of the past year was Shell Chemicals' announcement last January that it was reviewing the whole of its £225m. expan-sion programme at Carrington and Stanlow in the north-west. The outcome was that many of the most expensive plants would be delayed by two years or more.

BP Chemicals' £85m. petro-chemical expansion at Baglan Bay has been subject to unscheduled delays from labour unrest and late delivery of equipment; but not to any planned repbasing of the more important plants in the com-plex.

Scope for investment cut-backs at Imperial Chemical Industries bas been rather more llmited tban with the two oil companies aa 1971 has marked the final year in one of the company's periodic bouts of investment enthusiasm. In March the retiring chairman, Sir Peter Allen, estimated that expenditure in the U.K. thls year would be a little above 1970's level of £118m. but that there would be a marked cut-back in 1972 and 1973.

## Least worry

Perhaps surprisingly, one of the matters causing least worry ln ICI's headquarters in Mill-bank, and over the river at Shell Centre is the prospect of U.K. membership of tbe Com-mon Market. Both companies bave for so long been operating on a truly lnternational scale and, especially with Shell, bave set up so many production units in the EEC and elsewhere that an enlarged community wlll do little more than simplify an already existing commitment to serving the west European mar-kets. BP Cbemicals, on the other band, may bave a little further thinking to do since it has important but not control-ling shareholdings in Frencb and German petrochemical manufacturers dating back to the days before it became a major force in the Britisb petro-chemical industry through lts acquisition of Distiller's chemi-cal interests, many of whicb used to be jolntly owned with BP. These Continental sbare-holdings fit somewhat awk-wardly with the wholly-owned U.K. facilities now in the com-pany's possession.

Investment retrenchment has been just as much a feature of the Continental and American cbemical industry as it has been on the U.K. The trend has been so world-wide, in fact, that the big process plant con-tractors which design and build a bigh proportion of all new cbemical plant bave been sub-jecting themselves to some introspective beart-searching to decide what they sbould do in response. The answers seem to be almost as numerous as the number of contractors.

## More closely

Some lay emphasis on moving away from sucb a wbolebearted commitment to chemicals and looking more closely at related fields, for example, the supply of "clean" energy sucb as liquid natural gas (LNG) from the Middle East to Western Europe. Some stress other areas of process industry con-tracting in which they are already well established, nuclear power generation for instance. Still others see the profits of the future stemming increasingly from acting as "managing contractors" for huge new projects involving for instance natural gas production, electricity generation and fertiliser production without necessarily building any of the plants themselves. Others again look to establishing a presence througb a design office and sales staff ln foreign countries. And some, of course, do two or more of these things simultaneously.

From Britain's point of view probably the most encouraging development of the past year has been the resurgence of Power-Gas, the Davy Ashmore subsidiary, not just as an English pboenix rising from the ashes of the Conoco refinery debacle but as a truly inter-national process plant con-tractor. Thls it bas done tbrough acquisition of two German and one American plant contractors. For the first time the U.K. has an organisa-tion which, at least in terms of manpower and location, can match the might of the American contractors' far-flung empires.

Whether or not Power-Gas moulds lts newly acquired but dlsparate elements into e co-ordinated team, almost every major contractor now appears to agree on the need to bave a number of geographically separated offices to latch on to the rather more meagre orders for chemical plant in the com-ing decade. Just as the cbemical industry itself is now changing rapidly and many of its promi-nent members are falling prey to others more profitable, so too in the world of the con-tractors the next 10 years seem certain to witnesa some dramatic fusions, take-overs or bankruptcies as companies adjust to the changed circum-stences of their major clients, the chemical manufacturers.

# Building specialised plants

y Brigadier J. B. BIRKETT, Director, British Chemical Engineering Contractors Association

Building new plants is a vital tivity in the process indus-ies; the design and constuc-on of a complete installetion ten absorbs as many man-ours as are needed to run it r its entire working lifetime.

is therefore not surpriaing at some of the largest pro-ss companies, particularly in e petroleum and chemical elds, keep substantial engineer-g staffs and build at leaat some f their own installations. evertheless the use of ecialised contractors for doing ch work continues to grow d it is worth asking why.

## Partly hidden

In the first place manage-ents increasingly realise how pensive it is keeping an engin-ring department big enough do even part of their own sign and construction work, a st which is often partly hidden being charged to other acti-ties like development; con-actors on the other hand are a competitive market and ve to offer good value for oney. Another major factor is e increasing number of com-nies in such industries as food ocessing which have not in e past been generally con-dered as "chemical engineer-g" but which are now begin-ng to realise how the skills chemical engineering can be plied to their problems. Such mpanies often do not carry aff familiar with what is in-olved in building new installa-ons and they are now comlng appreciate the time and oney a reputable process con-tractor can save if he is called in at an early stage; they prefer this to the alternative approach of bnilding up their own staff for a project and then having to run it down again.

British process contractors have been building specialised plants all over the world for a long while; bowever, during re-cent years tbey bave greatly increased the range of processes and the size of contract they can bandle as well as pioneering a number of territories such as Eastern Europe. Contracts over £10m. are not uncommon and some of them, like the £40m. Polyspinners plant in Russia, are of great complexity. In variety these range from petro-leum and petrochemical to pharmaceutical, from fibres and food to fertilisers, from ore treatment to smelting and hydro-metallurgy: and from heavy in-organic chemicals to the most intricate cryogenic units. These firms are represented by the British Chemical Engineering Contractors Association.

They have been responsible for a huge volume of export business, to the benefit of British manufacturing industry, and their skill and experience in handling any sort or alze of contract is available to the pro-cess industries all over tbe world.

Nevertheless there are prob-lems that British process con-tractors have to face, and these were explored recently by the Process Plant Expert Commit-tee (the Wrigbt Report).

There has for example been a tendency wtth Britisb process companies to handle their development work entirely themselves, wbereas elsewhere in the world contractors bave habitually become involved in new processes at an early stage, contributing their own specialised knowledge and enabling the processes to be marketed quickly in a fully commercial form. This has greatly stimulated the growth of foreign contractora in certain fields and tbe Wrigbt Report, noting this, insisted on the benefits that would follow if the process industries here used Britisb contractors fnr develop-ment to a greater extent.

## Site work

Another point of controversy has been the problem of late completion and cost over-runs; but these difficulties are by no means confined to British con-tractors nor indeed to the process industries—other types of site work such as generating plant construction have been worse hit. Part of the difficulty is due to the inability of the equipment manufacturing in-dustry to adjust itself tn successive waves of boom-and-slump and part to the evar-pressing need for technical innovation and for larger, un-tried limits. But both contractor and client can do something positive about keeping these problems within bounds if they co-operate ln resisting any temptation to make late design changes, which are responsible for a great many of the delays that occur in practice.

Traditionally contractors and clients ere pictured as being al-ways at loggerheads; but their interests are by no means al-ways opposed, and a little mutual understanding will greatly benefit both parties. For example a common problem in which tbe ioterests of the two sides need not clash ls that caused by inflation—a situation io whicb a client may mistakenly believe his interests to be best served by demanding fixed prices, but when in fact a pro-perly drawn escalation clause will keep down the price he bas to pay by avoiding the need for the contractor to guess bow much inflation there will be during the contract period. Again, a client wbo realises how much effort and cost are in-volved in producing a fixed-price bid will not ask a con-tractor for one merely for check purposes and will usually offer to pay at least some of tbe cost. In any case most projects of any size are so ill-defined at the tendering stage that fixed-price blds are a waste of time and it is usually much fairer for a client to select a contractor on the basis of bis experience, record and qualifications and tben develop the scheme in close collaboration with him. There is no difficulty in choosing a form of contract which will protect the clieots' interests at every stage while also giving the con-tractor a real incentive to keep the cost down and get on with the work as fast as possible.

The British process contrac-tors are an integral and most im-portant part of the process industries of the U.K. and they serve the world.

PROCESS PLANT VI

# Contractors look for overseas business

By L. B. BAKER and D. A. J. SAMOLS, Stone and Webster Engineering Ltd.

The last twenty five years have seen the rapid growth of e number of long established engineering contractors in various countries and more recently the eppearance of even more newcomers. The attraction presumably has been the apparent substantial profits to he earned in good times hy a service organisation such as the contractor whose cash assets are often minute in relation to the value of the plant to he huilt, and whose principal costs are those of bis staff. As a result, there are now epproximately twenty contractors established in London alone, an apparent sign of a successful industry—but what lies behind the fecade?

## Poor quality

Firstly, when a recession occurs the contractor's very nature can make bim vunerable because bis staff belng his principal asset, there is little to sustain him as orders fall off and this bas led to tha regrettahle tendency of some companies to adopt a "hire-and-fire" attitude as conditions fluctuate with inevitable result of dissatisfied and poor quality staff. Secondly, because of the high building rental costs in London and the demand for extensive support services, the "break even" point for most contractors represents a disconcertingly high loading factor for his staff if reasonable profits are to be earned, and this factor can well be as high as 75 per cent. of the production staff, i.e., engineers and draftsmen employed on current projects. The third and obvious point is that in e recession oew projects are usually the first to suffer so that the contractor's market can vanisb literally overnight. Other factors such as technological obsolescence can have the same effect, as for example, the result of the North Sea gas discoveries on the naphtha reforming markets.

None of these prohlems are new for the industry which has long heen resigned to the cyclical habits of ordering of its principal customers. The current fall-off in world trade has, bowever, brought them into greater prominence for a variety of reasons which have led to e degree of soul searching and changes already. Some of these reasons are discussed below but it must he remembered that each contractor has his own particular hias depending on bis background, ownership, prior experience and similar fectors. The general trends and solutions thus tend to he the same, hut the individual solutions will necessarily vary.

The majority of contractors of whatever background have long recognised that the U.K. market alone is far too small and too vulnerahle to fluctuations to provide a satisfactory major hasis. They bave thus sought work increasingly abroad and the percentage has risen steadily and may well run at 75 per cent. or more of the total volume of work of any one contractor. The contracting organisations bave thus grown to meet an aven larger international market and this trend will inevitably continue hut it is only a partial solution to the problems arising. The size of projects to he handled bas grown rapidly and while tha number of orders may not bave increased, the associated work loads certainly heve. This is shown dramatically in the tahle for typical petrochemical plants, but the same situation arises for many other modern industrial plants, for example breweries, power plants, refineries and even roads. However, not only bas the direct demand for engineering and drafting risen, but also the demands for personnel in other fields to cope with the greatly increased complexity of these modern plants.

To-day, it is difficult to imagine any major project being built withont the assistance of computers and their associated staffs, not only for aspects of process or mechanical design, but also for the control and recording of costs of the thousands of sub-orders involved, for planning and resource allocation of the engineering work as well as purchasing, construction and start-up and not least for the contractor's own integral accounting and personnel procedures. Equipment is frequently bought on the world market and items heve to he inspected and expedited in many countries et the same time, requiring e major purchasing organisation.

Similarly, in construction the size and scope of many of the projects is beyond the capabilities of most evailable subcontractors so the contractor himself may now be a major employer directly, with his own construction equipment, lebour relations experts, supervisory staffs and foremen, end all the other vital groups needed to run a major construction operstinn in the field. This may involve housing, hiring, trsining and controlling a force of two to three thousand men at a time on one site almost as a matter of routine. The result of thesa factors is that an effective contracting organisation to-day can hardly consist of fewer than 500 to 600 permanent head office staff.

An organisation of this siza can handle epproximetely four major projects per year which leaves perilously little room for misjudgment in taking orders or scheduling projects if e balanced yearly workloed is to be achieved.

**TYPICAL PETROCHEMICAL PLANTS (RELATIVE INDICES)**

| Year | Plant capacity | Manhours of drafting | Total head office hours (including support staff) |
|---|---|---|---|
| 1950 | 1.0 | 1.0 | 1.0 |
| 1960 | 3.3 | 1.25 | 1.3 |
| 1965 | 10.0 | 1.75 | 2.0 |
| 1970 | 15.0 | 2.5 | 3.5 |

## Leading country

While in theory a contractor could simply enlarge one major office as in the U.S. wbere more than 3,000 men may be in the heed office, in Europe a very different situation exists. The total number of qualified draftsmen in London appears to be in the range of 4,000 to 5,000, imposing an immediete limit on any short-term expansion to the American scale. Secondly, financial or political restrictions, and frequently plain nationalism dictate that work should be done in a foreign location, and most of the major foreign aid organisations limit work provisions in e substantial degree to the lending country. Thirdly, language and frequently complicated local design codes or legal requirements dictate that work shall he done outside the U.K.

As a result, most of the more far-seeing contractors already have offices abroad while others belatedly climb ahoard the handwagon. These foreign offices vary from large fully integrated organisations through partial service, such as drafting and procurement groups down to loose associations with locally established contractors. The control end co-ordioation of these multi-office organisations is not easy if work is to he switched smoothly from one to anotber or very lerge projects split between several. Endless scope exists end is made use of in inter-compeny rivalry although so far sister companies do not appear to have actually competed with one another for the same project. Not the least of the problems is that of ensuring worthwhile careers to the various nationals if tbe individual companies and the groups are to succeed and there are some notable variations in success on this score.

Diversification abroad and establishment of large organisetions to handle large projects are all very wall but what about foreign competition and satisfying the enormous capacity established?

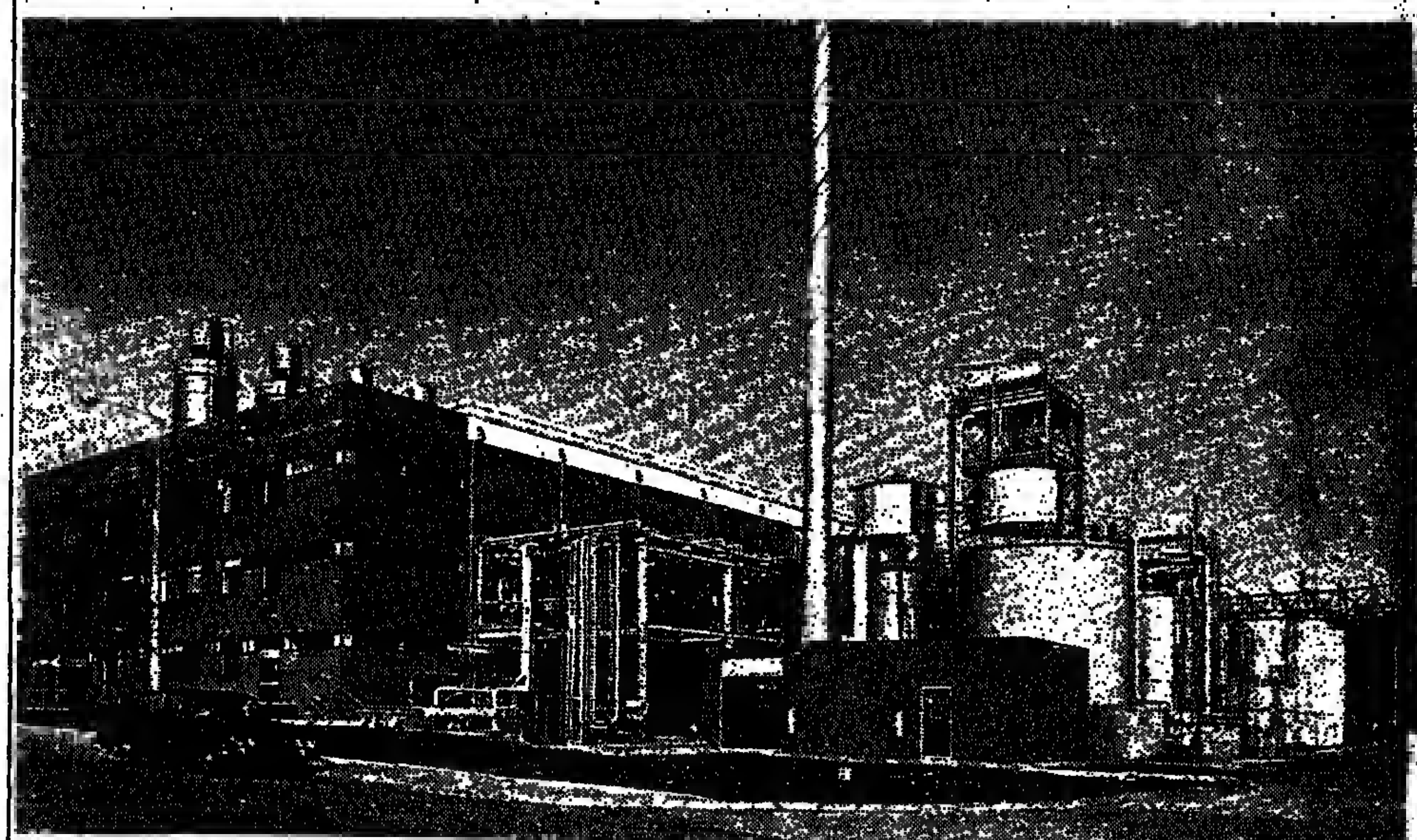
Successful foreign competitors have appeared in the major countries of Europe and are now generally capeble of handling any routine refining or frequently petrochemical projects of reasoneble size. They are, bowevar, still often et a disadvantage with regard to certain special technologies including hydrocracking and nuclear power plants and also in the necessary experience of handling very large projects which is dearly hought.

The danger of specialisation in any one process field is only too evident from the current sentiment on investments in the petrochemical industry. Nevertheless, there is equally a danger of heing over pessimistic ahout the prospects of an established industry and to plnnge hlindly into a diversification programme. Here the contractor is depeodent on the operating companies market researchers as the end-products and demand forecasts are in his client's hands and often closely guarded secrets. Some clients appreciete that the contractor cannot provide the service required hy the client unless the contractor is involved at the earliest plenning stage to permit him to prepare in advence for the new technology required; others are less far seeing.

Fortunately for the contractor, some fields are obvious, sucb as tbe rapidly rising demand for netural gas. In the longer term, as supplies diminish as for example in the U.S., the trend for oil companies to become "energy" companies is clear. As natural hydrocarhons become scarcer, their use for basic fuel will inevitably be restricted if only to provide a source for chemicals. The immense coal reserves are an obvious source of energy and already a large amount of effort is being expended on exploring the various routes to cooverting it to "synthetic" natural gas or to liquid hydrocarbons as wes pioneered many years ago. The scale required to-day is vastly greater, bowever, and is likely to tax the resources of the contracting industry in the last two decades of this century.

Other natural fields for the contractors to turn to include tbe food industry, brewing, distilling, steel making, mineral processing, pollution control and the various contractors are each vigorously pursuing these areas according to their respective backgrounds and experience and also assessment of the market size and the obtainable share.

What is clear is that in the years ahead there will be fewer but larger contrectors, not perhaps by purchase (as the contractor's sole large asset is his staff which leaves every afternoon) so much as hy closure as has already occurred. The contractors that remain will need, bowever, to be backed by substantial financial essets perhaps through membership of e large group, for only in this way can the organisation be maintained without violent fluctuations in periods of major trade cycles internationally and also to carry the risks inevitebly associated with major projects. In the long term this can only be achieved by a greater readiness of all clients to permit the contractor to earn larger profits for good performance. The alternative is to destroy the one industry capable of providing the skills of research, development engineering, procurement, construction, project management and financing as e single integrated service to all comers.



A polyester fibre plant recently completed by Sim-Chem Ltd., Stockport, for ICI Fibres Ltd. at Kilroot, Northern Ireland.

# Export performance causes concern

By MICHAEL CASSELL

With no prospect of a growth in U.K. demand for process plant for at least the next two years, exports have taken on a oew significance and manufacturers are having to inject added detarmination into their selling efforts overseas.

The exporting successes of a number of British companies illustrate what can be done in the way of capturing valuable overseas business, given sufficient tecbnical expertise as well es design end marketing ability. The examples of the few, however, remain to be followed by the majority.

The opportunities abroad certainly exist. The very siza of the process industries in overseas countries and their rate of growth compared with those of the U.K. manufacturers' present home market spell considerable chances for those wbo are prepared to make the effort. In 1970, exports by process plant contractors amouoted to some £190m. of which 60 per cent. was ectual hardware. This year the figure is expected to rise drametically to £400m., hut this, of course, represents orders placed some time ago and it is the low volnme of new business now being placed which gives cause for major concern.

A few examples of how some process industries in other conntries grew during the last decede in comparison to the U.K. growth rate puts the situation in perspective. The average growth of turnover in the British cbemical industry over that period was just 6 per cent. compared with 8 per cent. in the United States and an eveo bettar 11 per cent. in Common Market countries. Petroleum consumption grew in the U.K. hy 9 per cent. hut in the rest of Western Europe it rose by 14 per ceot on average.

## Gross investment

A look at recent investment patterns in varions parts of the world underlines the picture. In the U.K., gross investment by the chemical industry rose by only 3 per cent. a year in the last decade while in the EEC countries it increased at no less than 10 per cent. per annum.

The picture is also the same in the oil refining industry. Over most of the 1960s, investment in Western Europe was nearly four times higher than in the U.K. although towards the end of this period the home situation improved considerably.

But, of course, despite the ohvious opportunities abroad, the strength of competition from overseas manufacturers and the inherent difficulties of hreaking into new markets are sizeable indeed. A major set-back, as pointed out by this year's report from the Little Neddy process plant working party, appears to have been the U.K.'s relative loss of competitiveness in terms of export finance.

Historically, the eqnipment manufacturers have sold their product partly to their ultimate clients, the process operators, and partly to the contractors whose joh it is to erect the plant. On the domestic market—

Continued on next page

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PROCESS PLANT VII

# Worry over economics of pollution control

DAVID GRAYSTON

...tion all over the world ...day reached levels which ...have seemed incredible ... thirty years ago. The ...ea and air of this planet ...absorbed vast amounts of ...wastes, and natural en...ents have been irrevoc... destroyed.

...present concern over this ...ction is often wrongly ...as an American export ..., like the hula hoop, will ...ive way to some new fad. ...view neglects several ...facts, the first of which ...t the state of the Ameri...nvironment is very much ... than our own, as the ...ce of fish in Lake Erie ...e widespread despoliation ... Appalachian Mountains ... The U.S. is in many ...at least 30 years behind Britain in the field of pol... control, and prodigious will be needed to close ...p.

...second important unsung ...is that British industry ...een concerned in the pre...tion of the environment on ...ge scale for at least 20 ... and huge sums have ...spent to this end. It is ...that we have our fair share ...ed rivers and slag heaps, ...ost of these scars are pro...more of the last century ...of this one.

## Toxic effluents

...gers of accusation have ...freely waved in the direc...of the major processing in...ies, usually with equal ...nts of vigour and ignor... The Mersey and the Tyne ...be choked with toxic in...rial effluents but, it is ...ge which has made the ...er Thames uninhabitable to ...until recently. The fumes ...ore than 16m. motor vehicle ...usts are currently doing ... atmosphere a considerable ...unt of no good, and domes... coal fires are also doing ...r bit to keep the skies over ...ain murky. 80 per cent. of smoke pollution comes from household chimney.

The Government has said that ...esponsibility for reducing a ...at deal of pollution rests with ...ividual citizens. The best ...urance for the environment ... a commitment on behalf of ... public to prevent the ...erioration of air, water and ...d." It is plain that the pro...s industries are not by any ...ans the only culprits, or ...en, indeed, the major ones.

Nevertheless, industry is anything but complacent about its achievements so far. The greatest problem at the moment is concerned with the economics of pollution control. It is technically possible to eliminate most forms of pollution resulting from industrial processes, but the cost of doing so bears no linear relation to the benefits gained. In other words it may be necessary for a company to double its spending on control to effect a reduction of 1 per cent. in pollutant output.

## Cheaper techniques

A breaking point will obviously be reached in such circumstances, when the cost of safeguards becomes more than the product will bear. Some forms of industry have reached this point already, and are anxiously awaiting the discovery of new and cheaper techniques. Others are casting apprehensive glances at profit margins, and few would be rash enough to say that they are not worried.

The trouble, as the first report of the Royal Commission on Environmental Pollution points out, is that the economics of pollution control are not understood beyond a basic supply and demand level. The report says that the economic information needed to formulate decisions on environmental preservation is seriously deficient, in sharp contrast to the amount of data available on the scientific and technical aspects of the problem. It continues: "Scientific and technical information is invaluable, and in many cases may be adequate for reaching satisfactory decisions, but much of it could be wasted if it were not supported by some economic indication of priorities and of the best means of dealing with specific kinds of pollution."

It is in this context that the efforts of industry to safeguard the countryside must be viewed. The process plant sector has put its money where its mouth is to the tune of many millions of pounds, and no slackening in the pace can be expected in the near future.

The steel industry is a case in point, and analysis reveals extensive progress over the past 15 years; £29m. has been spent on the prevention of smoke, grit, fumes and sulphurous gases since the introduction of the Clean Air Act in 1956. The industry's switch to the use of high-purity oxygen as a refining agent in steelmaking has necessitated the expenditure of some £22m. extra on purification plant intended to eliminate fumes and excess carbon monoxide. Even after these massive outlays the steelmen refuse to rest on their laurels. The British Steel Corporation said in July: "Although the industry has made important contributions, the present can only be regarded as a stage in the progress towards a cleaner atmosphere. As the industry becomes concentrated in larger manufacturing units their greater mass pollution potential will inevitably necessitate control to finer limits."

Last year BSC spent £8m. on the reduction of its contribution to the pollution of waterways. The amounts of water used by the industry are phenomenal; 200 tons of water are required to produce one ton of steel at an integrated plant. Much of this is recirculated, but the average intake figure is still a hefty 37 tons of water per steel ton. The effluents from iron and steel works are of many differing types and amounts of toxicity, ranging from slightly contaminated cooling waters to highly harmful process wastes such as acid pickling liquors and coke oven condensates and residues. A large-scale research programme which is still under way, has led to the development of new pickling and recovery processes. These, when fully implemented, will lead to the virtual elimination of the acidic effluent problem.

## Worsening state

The steadily worsening state of the environment in this country has obviously led to changes in the plans and investment patterns of the steel industry, with more time and money being geared to the cutting down of pollution both by treatment and by new methods of production. This shift in emphasis is visible in almost all areas of the process plant scene.

In the chemical industry companies are spending between 2½ and 15 per cent. of their total investment in plant in the hope of cutting pollution. The wide difference in figures can be explained by differences in the location of plant for, as one spokesman recently put it, the Mersey estuary does not present the same problems as the middle of the Thames Valley. To concerns such as ICI, pollution control is a costed element like raw material supply, and expenditure increases year by year in proportion to forecasts of waste production.

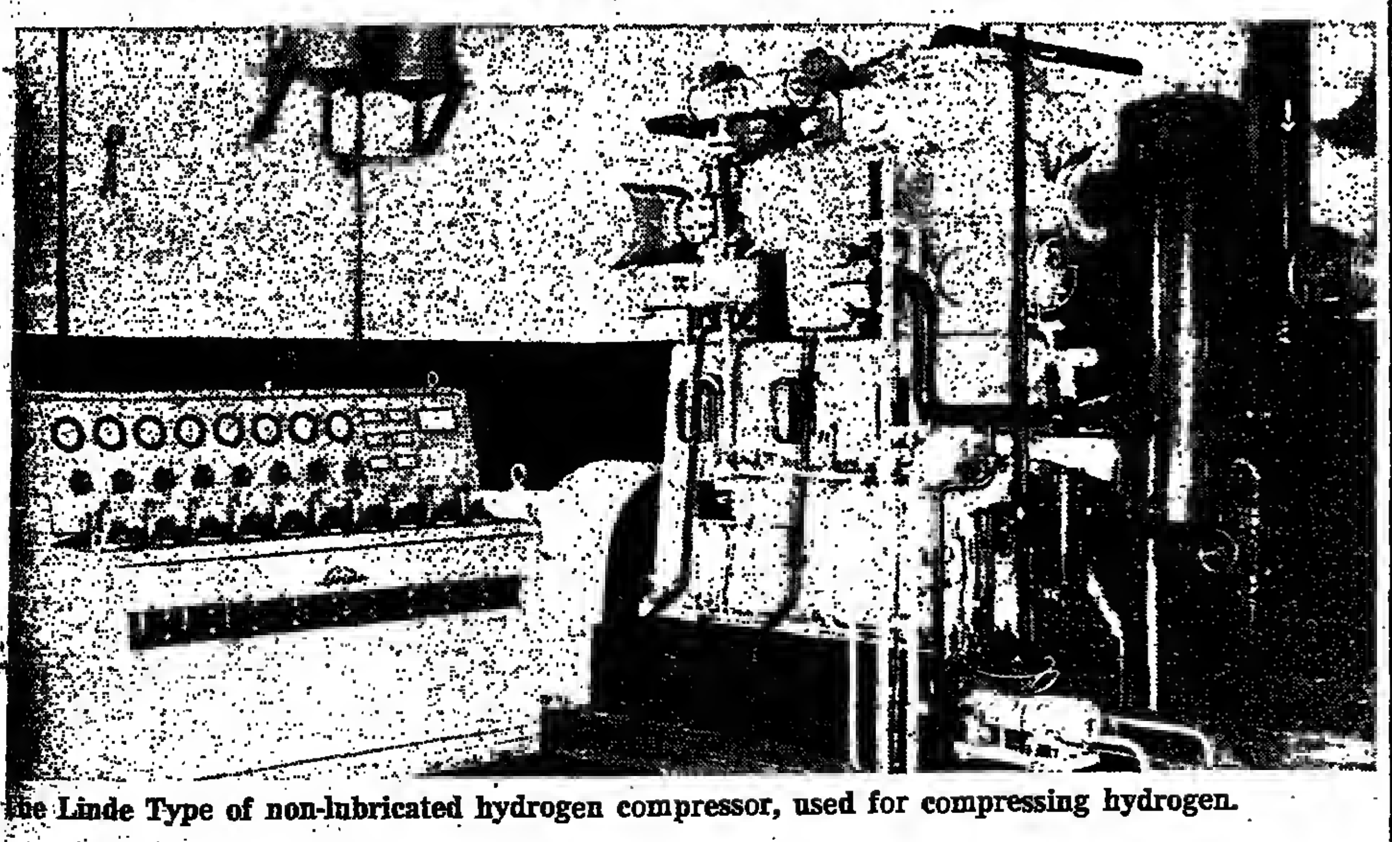
## Heaviest spender

The electricity industry cannot be left out of the reckoning. It has been the heaviest single spender on air pollution control, with a bill of £120m. over the last decade. Most of this has been spent on the regulation of coal-burning plants. Extensive marine and freshwater researches have been carried out in conjunction with Government agencies around many of the Board's generating stations, and a project is now in hand to consider the application of the warm water from cooling towers to the establishment of fish farms. The 1957 Electricity Act introduced a statutory obligation for the Board to take account of environmental protection, but spokesmen stress that the industry was heavily involved in this area before the Bill, and that they regard the problem as a continuing one which must be taken into account at all stages, from the design of a power station, through its construction and siting, and down to spot checks on wastes discharged.

As with the gas industry, whose changeover to natural gas will be 95 per cent. complete by 1976, the electricity area is in a state of flux at the moment with the gradual conversion to atomic power. This will present new problems, and the disposal of radio-active waste is under active international consideration at the moment.

Tolerance levels for all forms of pollution are set by the Government, but the measures taken seem to be biting harder in some sectors than in others. Nothing on the statute books to date seems to have been able to prevent the adornment of the South Coast by large amounts of crude oil, and it is certain that legislation on car exhaust fumes will be brought in.

When "Nader's Raiders" become a force to be reckoned with over here they will surely take a long cool look at Britain's process plant industry. It will stand the scrutiny well. Things could, and will, become better, but we are still one of the cleanest industrial nations in the World.



The Linde Type of non-lubricated hydrogen compressor, used for compressing hydrogen.

# Exports concern—(Cont'd)

Continued from previous page

...this situation gives rise to few problems but when it comes to foreign business, manufacturers have largely been content to let the U.K.-based contractors win the orders. The incidence of direct selling to foreign process operators has therefore been comparatively low.

The opportunities for selling in this last sector are quite considerable and some efforts have been made to interest foreign contractors in U.K. plant. In 1969, the Council of British Manufacturers of Petroleum Equipment sent a team to the U.S. to estimate what potential business was available and to inform contractors over there about British hardware. This exercise, however, remains the exception rather than the rule and similar activity from other sectors of the industry could well help the process plant export drive.

One of the greatest and most natural challenges before the U.K. plant makers is the prospect of entry into the EEC, with its enormous flow of internal trade. In the opinion of the Little Neddy working party, membership of the Common Market by Britain and the gradual elimination of tariff barriers against U.K. exports to the Community would result in a "significant improvement" in the competitive position of British manufacturers in these markets.

Business prospects for manufacturers who find themselves in a position to compete in technical terms and on their delivery performance would be very substantial and they should be able to displace not only the products of some present exports to EEC countries but also, and probably more important, those of less competitive suppliers within the Community itself.

## Tariff barriers

But, as the working party warned, other U.K. equipment makers would at the same time find themselves increasingly bereft of the protection afforded by the present tariff barriers and faced with sharply increased competition from European manufacturers in their own home markets. There is certainly a trend towards Continental companies becoming more active in this country and this process looks more likely to grow in terms of contracting work and direct selling.

At the same time, however, U.K. contractors are themselves gradually growing to appreciate the importance of closer links with their Continental counterparts. Britain's importance as a world base for plant contractors is well established, primarily because of the number of oil companies with headquarters in London and also because of the ability of the City's financial network to generate capital for major projects.

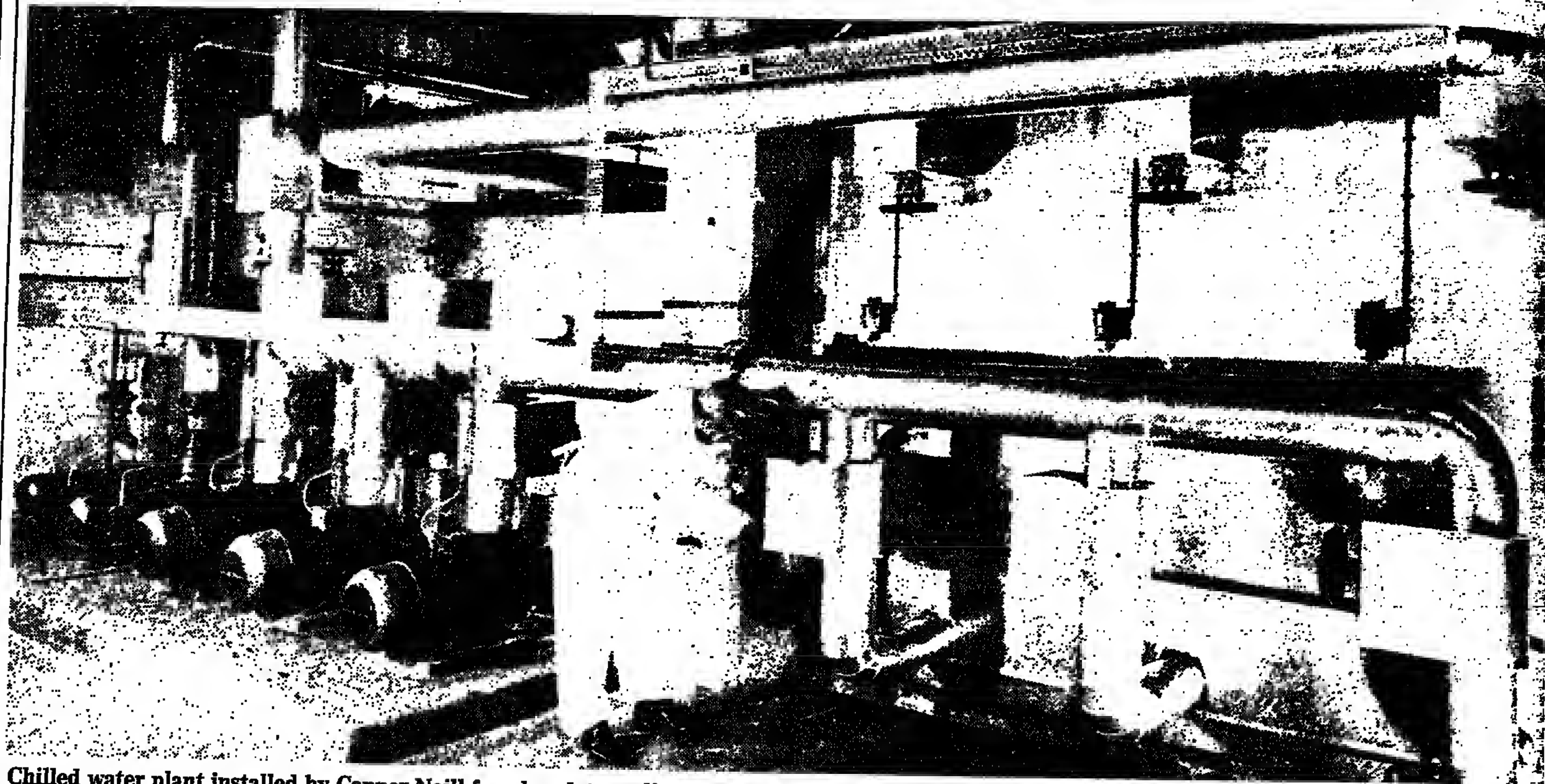
It is from London then that they cast their eyes on Europe, and several U.K.-owned operations are among those who have already bought themselves stakes in foreign companies. Everyone certainly seems convinced that to obtain a slice of the potential business, there must be a system of local contracting affiliates, and failure to establish this may well mean failure abroad.

But even given valuable links with Europe, the future for British process plant equipment is far from certain. On a purely technical basis, few U.K. manufacturers spend sufficient resources on design and fabrication research to put them on a truly competitive basis with the Americans and West Germans. Although some rely on licences from overseas equipment makers to stay in the technological race, U.K. manufacturers in general tend to be regarded as the producers of the well-established, stock equipment while specialist plant production is more often than not left to foreign competitors.

It is also difficult to find areas where U.K. process-plant makers are competitive on a cost basis. Hampered by supply problems, bad business and uncertain industrial relations, it is hardly surprising that the competitive edge has disappeared but there is some hope, however, that the recently announced incentives for capital goods investment might have a marked effect on the level of home demand and so provide a better base for overseas activity.

Rationalisation and diversification are currently being pursued by many manufacturers in an attempt to secure a sound future. The potential overseas, not merely in Europe, certainly exists and if competitive conditions can be improved then U.K. manufacturers and contractors should between them preserve and improve their standing as a world force in process plant.

## PROCESS PLANT VIII



**Chilled water plant installed by Capper-Neill for chocolate cooling at Nestles factory at Hayes.**

# Growing influence in food

By Dr. E. H. T. HOBLYN, Advisory Director, Process Plant Association

The processing and preservation of food has alwaya been vitally important to the nation and to-day forms a highly technological industry; the Britisb food industry spends in tha order of £100m. annually on plant and machinery while exports from the United Kingdom of food and packaging machinery are currently running at over £40m. a year. Although temporarily on a plateau, capital expenditure by the food industry has been increasing steadily for a number of years and one reason for this has been the changing structure of the lodustry; many amalgamations have taken place and have provided the opportunity to scrap old plant and to rationalise production in new and very mucb larger units with, wherever possible, continuous plant operation coupled with mechanisation and automatic process control.

The use of process plant in the food Industry is perbaps best demonstrated by considering some of the unit operations of cbemical engineering such as heat transfer, evaporation, drying, mixing and filtration. Food engineering may be regarded as chemical or process eogineering in a food industry context with special reference to factors desigoed to preserve the flavour and appearance of the food being processed and to ensure hygienic operating conditions.

Heating is probably the most important single operation carried out in food processing. It is used in pasteurising, cooking and in concentrating products to save weight and space in storage and transport. These various heating operations must not spoil the flavour or texture of the food but at the same time they must kill harmful organisms. The food chemist has to establisb the desirable working conditions of temperature and time of heating and it is then for the process engineer to decide bow these conditions can best be achieved.

### Heating medium

The application of fundamental chemical engineering thlnking bas helped to solve many of the food industry's problems when dealing, for example, with beat sensitive products. Such materials reqnire that operating temperatures should be as low as possible or the time of contact with the beating medium sbould be sbort. These conditions bave been achieved by working under vacuum aod using climbing film and wiped film evaporators and one nf relatively recent design whicb embodies hlghly turbulent liquid/vapour flow. These principles are applied to the concentratioo of milk, citrus fruit juices, tomato juice and so on; the thin film short contact time principle has also been applied to the continuous production of candy wben in the sugar cooker the syrup is distributed ln a thin film over the evaporating surface tbus permitting flash evaporation with contact time of only six to eight seconds. The continuous processing of viscous beat sensitive materials bas been simplified by using plate type or scraped tube heat exchangers whlch provide uniform treatment and provide for automatic process control.

The canning industry also presents some interesting heat transfer problems associated with heating the can and its contents. Methods in use include the batch retort, the continuous rotary cooker and cooler in which cans are rotated to agitate the contents and improve the beat transfer rate, and the bydrostatic continuous pressure cooker in which cans are subjected to more gradual beating and initial cooling than in a normal pressure cooker. Apart from its use on canned foods, this type of plant has also been used successfully for sterilislng of milk and for the production of milk-based cbocolate drinks.

Heat treatmeot provides one method of preserving foodstuffs. Another is cold treatment and a third drying. Cold treatment can be carried out by conduction as in various designs of plate freezer, by convection as ln blast freezers lncluding the fluid bed type, and by evaporation in wblch the product is sprayed with llquid nitrogen; this provides very rapid freezing and presarves the texture and quality of sensitive products such as strawberries.

Drylng is used not only for preservation but for reduction in weight and bulk. Many types of dryer developed by the chemical engineer find use in the food as well as in the cbemical industry. The dryer has been used widely in milk and coffee and engineering problems have bad to be solved to ensure that the final product is in the most appropriate form for future use—often as free flowlng, dust free granules.

### Various dryers

Other dryers in use in the food industry include ring dryers, drum dryers for flake products, conveyor dryers for vegetables, and vacuum band dryers for products such as cbocolate crumb and malt extract. Accelerated freeze drying is valuable for costly materials and results in a high quality product which can be easily reconstituted.

Mention should also be made of mixing and filtration. Considerable study of the physlcal properties of materials has provided a more scientific basis for mixer design than bitherto. Indeed, it was fundamental work on these lines which led to the development of the Cborleywood mechanical dougb development process and the necessary bigh speed mixers glving a defined work output.

Filtration is widely used across the spectrum of process industries. Membrane processes such as reverse osmosis, ultrafiltration and electrodlalysis are being actively investigated from a food industry angle.

Finally the development in scale and sopbistication of many food plants will be such that the engineering of complete installations will often call for the employment of process engineering contractors wbo have grown up and galned wide experi[ence] of large products in the oil, chemical industries. Exten[sion] of these activities to food [will] call for considerable team [effort] ln linking contracting exp[eri]ence to the specialist exper[tise] which will have to be provi[ded] by the wide range of pro[cess] plant firms who now serve [the] food industry.

### Taken place

These are just some of [the] ways in which process [plant] finds use in tbe food in[dustry]. This influence of the pr[ocess] engineer will increase; less [and] less will firms regard themselv[es] exclusively as, for exam[ple], bakery or brewery or dairy en[gineers]. Valuable cross-fertilis[a]tion bas taken place and w[ill] continue to do so. Process [plant] manufacturers will operate mo[re] and more across the boar[d] thinking every bit as much [of] the fundamental operation to b[e] performed by the plant as [of] the product to be treated.

# Impact on non-ferrous metal production

By P. M. J. GRAY, Power Gas Ltd.

Despite short term fluctuations frequently of disturbing magnitude the world demand for all the major non-ferrous metals sbow, in the long term, an inexorable potential for growth which seems unlikely to slow down. The process plant industry is, therefore, concerned more with the changing technical requirements and geographlcal centres then it is with any risk of dlminishing or static world markets. The outlook of the industry bas to be as world-wide as is the natural occurrence of the minarals of the metals.

Britain is, and always has been, an important centre for research and development of process metallurgical tecbnology. The amergence of completely new process routes on an industrial scale is, bowever, a rare event, but improvement of existing processes and equipment arising from a deeper understanding of the fundamentals of process mecbanisms is continuous. Tha unceasing pressure of rising capital and operating costs in the operating industry applies pressure, through the process contractors, on tbe equipment suppliers to design and build larger sized units of greater reliebility. Progress has been most marked in recent years ln the bullding of rock moving, crushing, grinding and concentrating equipment which has, in particular, made lt possible to exploit large copper ore bodies with well under the average copper content. The impact of scientific, technical and engineering advances on the metallurgical industry is much less of spectacular forward leaps than of steadily holding off the continuous pressure of inflation. The British based process industry is well equipped and backed with researcb to stay in the forefront of know-bow suppliers.

### Waste products

All aspects of the metal producing industry ln most countries of the world are now coming under increasing pressure to reduce environmental pollution by indiscriminate release of gaseous, liquid and solid waste products. This factor is probably now as important as cost saving among the external factors influencing process and equipment design and supply. Air pollution by sulphur dioxide from copper smelters is still widespread but there is now a demand to equip plants with efficient sulpbur recovery plants; this is leading to the use of sulphuric acid plants with double absorption tail gas units and to a renewed interest in reduction processes to convert sulphur dioxide to elemental sulphur wblcb can be more easily disposed of at remote sites. Exit gas from tha copper smelter's old falthful, the reverberatory matte furnace, is hard to collect efficiently and this furnace is probably now doomed to rapid extinction. Its companion, the convertor, may not be too far bebind if present-day developments in the flash smelter and other continuous copper smelters continue to bear fruit.

Popular awareness of air pollution bas probably done more to speed up the technical development of the copper smelting industry than any other factor.

Hydrometallurgical processes, developed for low-grade ore processing, provide more convenient ways of controlling waste disposal, so long as there are not quantities of metal and acid bearing liquors to dump in order to maintain an impurity and ecid balance in a leaching and electrolysis circoit. The increasing application of solvent extraction and lon-exchange techniques for solution purification and appreciably reducing the water pollution problems associated with many hydrometallurgical processes in the past. Contracting companies have played a major part in these developments, in collaboratioo with operating companies, because the processes are readily suited to laboratory scale development. Pyrometallurgical process development by contract ls more expensive and greatly influenced by scale factors and commercial viablity can only be proved at the industrial level. The function of the contractor is more to act as a broker for procesa know-how between the operating companies with know-bow to sell under licence, and those intending to install new plant and looking for know-how to buy under licence.

The rapidly increasing geographical spread of the metallurgical process industry is a factor requiring new approaches to management and financing. The traditional world trade pattern of mining and ore concentration taking place in tha under-developed part of the World, and the smelting of concentrates to refined metal being conducted in the regions of the major metal markets of Europe, North America and Japan is cbanging. Plant complaxes comprising mine, concentrator, smelter and refinery are being increasingly planned and built in the emerging countries under the financial and political control of national anterprises. Such nations have inadequate resources, as yet, of skilled manpower and money to establish these projects unaided. Finance is sought either [as] loan money, or as minority equity investment, free of political and managerial control from overseas. With potential producers planning productions of refined metals well in excess of present national consumption, they also are looking for long term sales contracts and are offering these against repayment of loans.

There is rapidly developing in the U.K. a metallurgical process engineering and contracting competence for the non-ferrous industry, which, combined with the traditional financing skills of the City of London and metal trading institutions, is available to provide comprehensive services in both the design and construction of new plants and the development of approprlate financing arrangements.

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[SO]CIETY TO-DAY — BY JOE ROGALY

# [T]he statisticians seek safety in numbers

GOVERNMENT now has [...] hands more information [...] the people of this country [...]has been in the possession [...] previous Administration, [...]he quantity is increasing. [...]his vast pile of filled-in [...] completed question[...] departmental tables, [...] analyses and computer [...]outs—the gathering of [...] was paid for out of our [...]—is being made less and [...]available to people outside Government, and the num[...] of restrictions on its use [...]rowing.

[...] is an absurd situation, the [...]uct of a general muddle [...]t the nature of privacy and [...] uses to which statistics [...]d be put. The argument [...] to extremes. A determined [...]al, one who believes pas[...]ately in the sanctity of the [...]vidual, might argue that the [...]mulation of facts about [...]le is in itself sinister; a [...]nalist, or one who har[...]s the perhaps pathetic [...] that knowledge in official [...]s can sometimes be put to [...]ficial use, might reply that [...]real trouble is that govern[...]ts do not even now have [...]gh information.

[...]oth would be right. This [...] apparent from the debates [...] conference on the uses of [...]al statistics last Friday. The [...]erence was organised by [...]s 200 users and producers [...]official statistics, including [...]titioners like Professor [...]A. Moser, director of the [...]tral Statistical Office; Mr. [...]rew Shonfield, chairman of [...] SSRC; and Professors [...]sic and Donnison.

[I]t quickly became clear at this [...]ference that the repercus[...]s of the flurry of protest [...]t attended the taking of the [...]sus earlier this year are still being felt. Although the census itself was carried out, more or less successfully, in spite of *vociferous (although by no means universal)* opposition, the result of the campaign against it has been an increase in the volume of restrictions on who may and who may not see the official statistics, especially in their raw form.

## Caution

This is partly the result of an increased sense of caution in all departments of government, and most particularly in the Office of Population Censuses and Surveys; and partly the result of an observed reluctance among *Ministers* to agree to anything that might possibly be construed as an official invasion of privacy.

People are deeply concerned about this. The mechanisms designed to prevent the misuse of, say, the abortion statistics are fairly elaborate, but many people are still convinced that practically anyone in the Government and not a few people outside it can, by merely looking up the files, discover who has had an abortion and who has not.

The most sensitive area is perhaps the census and its concomitant social surveys. These are increasing in scope. The Family Expenditure Survey is now well established, but it has in recent years become vulnerable because officials have succumbed to the temptation to add questions on, even if some of them are only marginally related to family expenditure.

The result has been the design and production of a new continuous Government survey, the General Household Survey, which has just completed its first year of work with some 15,000 in-depth interviews, each containing a possible maximum of *50 questions about education*, housing, health, income, and a good deal else.

The answers are in; but they are being checked, and then they will be analysed, and then processed, and the tables that are published will tell only as much as that process allows. The survey, meanwhile, is continuing (it is permanent) and the amount of information, raw and cooked, in the Government's hands is thus still increasing.

This is only one of several surveys, and one of dozens of methods of collecting information *about us. It is small* compared with its counterparts in some other countries: in Canada, for example, some 30,000 households a month are visited by interviewers from "Statistics Canada"; in America the Current Population Survey covers just under a tenth of all households every month; in West Germany a 1 per cent. sample is interviewed every April, supplemented by a 0.1 per cent. sample three times a year. British statisticians would like the General Household Survey to be similarly extensive.

## Such alarm

It might be said, therefore, that the GHS is at least one survey which is comparatively harmless. Yet it is no more harmless than the census itself. The danger lies in identification of the respondents, and the possibility that this might happen is viewed with such alarm by the officials who manage the survey that they will not show the completed forms to other officials, let alone outside academics.

April: Young Liberals in Trafalgar Square setting fire to their census forms. Some officials are now questioning whether names and addresses are really essential on all forms.

This is where the absurdity is most noticeable. The best academic (and, for that matter, departmental) work can be done with the products of surveys of this kind only when the completed questionnaires themselves are available. With them, it is possible to look for patterns in the responses that computers, uninstructed, cannot otherwise reveal. Without the forms, the use of the statistics is confined to the use that can be made of the tables put out by officials, who are thus imposing their own patterns beforehand. What should be independent research becomes official research.

The nervousness engendered by the census is such that what was previously a simple reluctance to release raw data even with the names obliterated, is now very close to a downright refusal to release any unprocessed figures in any circumstances.

But there are other absurdities. A great deal of information collected laboriously by the social survey and other means is available from the Inland Revenue which, because of its historical preoccupation with confidentiality, is reluctant to part with it. Many statistics could be created out of what is already collected in the ordinary way by local and regional authorities, if a system of cross-linkage could be devised; here again, the preoccupation with privacy is an obstacle.

For example, it would be possible (and indeed has already been proved so on a small scale) to keep a central register of the medical case histories of everyone in the country. The results of every visit to a doctor or hospital would be fed in, and the *central register, cross-filing* and cross-checking included, would do the rest. This would clearly be of help to doctors and hence to patients, but the political outcry against it can be imagined.

## Advantages

Personally, I must confess to being in two minds about the best solution. There is little doubt that even with the statistics we have, some Government officials are likely to abuse their powers—equally, in the present situation, the amount of abuse of this kind is unlikely to outweigh the considerable advantages of having the planners, with whom we are apparently stuck, know what they are talking about. This must surely lead to the conclusion that there is really little *harm in* allowing the Government to go on tabulating facts about the people and that there may be some good in it.

The main force of the opposite argument lies in what the threat may be in the future. A totalitarian government would certainly find its work facilitated if the files on every member of the population were found to be conveniently full at the time of take-over—and, even short of such an unlikely development, a tough-minded "democratic" government might use information on, say, coloured immigrants against them.

Liberty is so fragile that this argument deserves to be taken seriously, but it would be a loss if it were taken to such an extreme degree of seriousness that it led to a further constriction in the use of social statistics. For without them the chances of answering some of the many puzzles that confront British society will be diminished.

What is more, even the many statistics now being collected are not really sufficient, or always of the right kind. The great bulk of them concerns the work of government departments: how many social security benefits are paid out, for example, or how many houses or schools are built. Since more than half the expenditure is now on social and environmental care, this self-auditing is no doubt necessary.

But what is not properly collected, on anything like the needed scale, is information about the effect of all the spending: about whether the public is satisfied with it. It is thus measures of satisfaction, or public frustration, that are now required. These are unlikely to be forthcoming in any depth unless attitude surveys are accepted by most people as a normal part of administrative life.

There are many examples. We know the number of sick, but not much about the healthy. We know a great deal about the homeless, but much less about the housed. There is plenty of statistical material on crime and criminals, but what is needed is a series of figures showing the effect on the victims (something they already have in America).

## Safeguards

Any government that hopes to expand its statistical services in this direction should first design a set of safeguards that the public would come to know and accept. There is already a great deal of discussion about a code of conduct for interviewers and tabulators, to be *signed* and *sworn* to. Some officials are questioning whether names and addresses are really essential on all forms: surely as many as possible could be completed anonymously. The burning of long-past records, publicly, is another possible way of increasing confidence.

None of these will suffice while the compilers of statistics continue to be so secretive about their methods and their purposes. It is one thing—and, indeed, most proper—to refuse to disclose the name of an informant; it is quite another to apply the Official Secrets Act to the purpose of a questionnaire, or to its results. When government becomes more open, perhaps the public will respond in kind: meanwhile the absurdities will continue to multiply.

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## Labour News

# Shawcross to hear BSA union plans

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

[U]NION proposals to stave off [th]e worst effect of the crisis [fa]cing BSA, the Birmingham [m]otor-cycle manufacturers, are [to] be put to-day to Lord Shaw[cr]oss, a director and chairman [de]signate, by Sir John Eden, [Mi]nister for Industry, in fulfil[me]nt of a promise made to union [off]icials at a meeting last Friday.

The full extent of BSA's acute [fin]ancial problems will become [cle]ar to-morrow, when the state[me]nt, expected to show losses of [...]m. or more will become avail[ab]le. The first of the companies [it] intends to keep in the group [ma]y also be made known.

The company plans to sell cer[tai]n others, in addition to its [sh]ares in Sealed Motor Construc[tio]n for around £2.1m., to try to [rai]se a total of £5m. The exist[in]g overdraft of £10m. is being continued by Barclays Bank, subject to the provision of the security on assets which shareholders are being asked to approve, along with a capital reconstruction, on November 1.

Meanwhile, Lord Shawcross has warned the 4,700 Birmingham workers that unless they co-operate in redundancies affecting 3,000 to enable motor cycle assembly to be moved to Meriden, Coventry, the group faces voluntary liquidation.

The first 1,000, all with under two years' service, are due to leave with three weeks' pay on Thursday, having already received notices. Until then, it will not be known how effective will be the threat to stage an Upper Clyde Shipbuilders type of work-in, which union officers are supporting.

# Coventry toolroom men still adamant

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

COVENTRY, Oct. 25.

[SU]PPORT among more than [...]00 toolroom workers here in [th]e fight against engineering [em]ployers who want to introduce [pla]nt bargaining in place of a [wa]rtime overall rate-fixing [ag]reement remains as strong as [ev]er after seven Monday-only [st]rikes.

When the Engineering Em[pl]oyers' Association cancelled [th]e agreement it had with the [di]strict committee of the [A]malgamated Union of [E]ngineering Workers on Septem[b]er 1, as being "outdated and [in]flationary" the toolroom and [a]ssociated workers covered by [th]e agreement began a series of [s]trikes which earlier caused [n]early 20,000 other workers to [b]e laid off.

The employers retaliated by [lo]cking out last Monday's [s]trikers on the following day. [A]nd the same action will be [t]aken to-morrow except at Rolls-[R]oyce. The company has fixed Thursday as the deadline on [w]hich 1,300 workers must accept [th]e national agreement—which [w]ould raise pay by £4 to £46 a week—or be refused further work.

The employers have offered the remainder of the toolroom workers stepped increases over the last paid August rate to bring them to 103.49p an hour in November and 104.39p in December, if they will negotiate further rates at factory level instead of across the Board.

The offer was made during a five-hour meeting with the district committee last Wednesday, when a document of proposals for implementing bargaining was also presented.

The district committee rejected the offer outright when it met on Saturday, and to-night the toolroom stewards were deciding whether to accept the committee's decision over the future course of the dispute.

Chrysler was again worst hit by to-day's strike, with 6,500 laid off at Coventry and 1,500 more at the associated Linwood plant in Scotland. At Jaguar cars 175 at the Radford (Coventry) works were sent home because *machines* could not be repaired.

# Union's girl employees strike over redundancy

BY OUR OWN CORRESPONDENT — LIVERPOOL, Oct. 25.

TWO GIRLS belonging to the Clerical and Administrative Workers' Union and employed at the Liverpool office of the Associated Society of Woodworkers, Painters and Builders, went on unofficial strike to-day, protesting against a redundancy notice served on one of them.

They picketed the ASWPB office and said they would stay on strike until the redundancy notice was withdrawn.

Mr. John Allan, CAWU local organiser, said that at a time when the TUC had launched a nationwide campaign against unemployment, the ASWPB was making its girls redundant throughout the country.

He claimed that seven of his members in the ASWPB regional offices in Manchester were on strike in sympathy. This followed three girls at Preston, Barrow and Chester offices of the ASWPB being declared redundant because these offices were to close.

Later, Mrs. Pat Wheatley, a shop steward in Manchester, denied that the dispute there was connected with the redundancy. She said: "It was purely about pay, and this has been cleared up. The redundancy in other offices did not come into it."

Mr. Eric Hughes, ASWPB regional secretary of woodworkers, which employs the girls as telephonists, typists and secretaries, said: "The girls are getting 12½ per cent. backdated to *May.*

More labour news on Page 30

# Concorde price expected to be set within next three months

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

IT IS HOPED that the manufacturers of Concorde will give firm specifications on the aircraft to the airlines in the next two to three months, Mr. Frederick Corfield, Aviation Supply Minister, told the Commons yesterday.

He said he was in touch with the French Minister of Transport, M. Chamant, about the next Ministerial meeting on the programme, which would probably take place in November, or at least before the end of the year.

Answering questions about the progress of the project, he said the first of the two "pre-production" Concordes was expected to fly (in early December) from the British Aircraft Corporation's works at Filton. Flight trials of the two prototypes had continued to make a satisfactory progress.

Manufacture of the first ten production aircraft and their engines was in hand. All airline options on the aircraft due for renewal had been extended. "The total estimated costs remain as last stated, £885m.," he added.

"I have made clear throughout *I cannot guarantee orders*—that is a matter for the airlines," Mr. Corfield declared.

## No pressure

It is widely believed in the aerospace industry that the "specifications" referred to by Mr. Corfield include the basic selling prices of the Concords to the airlines, which will be settled by the two Ministers when they meet during the course of the next few weeks.

This price is now expected to be in the region of $28m. (over £11.5m.) per aircraft.

Mr. Corfield was also asked if he would now try to persuade British European Airways to place an order for the U.S. Lockheed TriStar airliner, or at least make a declaration of intent.

Mr. Corfield declined, however, saying: "It is not up to me to bring pressure on BEA."

He told MPs that funds were available for the RB-211 engine for the TriStar to go ahead. "By September 14, all the pre-conditions had been met for the continuation of the RB-211 programme for the TriStar. The Rolls-Royce/Lockheed contract for the engine, and the Government's undertaking to finance the RB-211 programme, accordingly took effect."

# Man-made fibres output decline halted

BY JOHN TRAFFORD

FIGURES for the production of man-made fibres in September, just released by the British Man-Made Fibres Federation, show that the decline apparent during the summer has been halted. As yet, however, there is no sign of an upturn.

September production was 112.06m. lbs compared with 112.38m. lbs last year. The nine month cumulative figure was 1,010m. lbs, an advance of 1.6 per cent. At the six-month stage, the growth had been 2.7 per cent. and for the year's first quarter it was 7.1 per cent. The recent disappointing performance will make it hard for the industry to establish a new record this year for total output much above the record level reached in 1970.

Like the summer months, the total for September disguises the continuing strong swing away from spun yarns and to filament yarns, widely used in knitted fabrics which are still making inroads into the woven cloth market.

All the growth this year has been in filament yarns where output during the first nine months has reached 458.3m. lbs compared with 422.7m. lbs. In contrast output of staple fell by 3.5 per cent. to 551.9m. lbs.

# Water Board men challenge pay policy

By Roy Rogers

A FURTHER challenge to the Government's policy of reducing the level of public sector wage settlement emerged yesterday when water supply employers were told to expect a substantial pay and conditions claim on behalf of their 30,000 manual workers.

The basis of the claim was drawn up yesterday and after further deliberation it will be lodged in December.

The unions are seeking a £2.50-a-week general increase which represents a 14 per cent. improvement on present minimum rates which the unions want brought up to the TUC's £20-a-week target.

# Atlantic fares package hopes

By Our Own Correspondent

GENEVA, Oct. 25.

REASONABLY good chances of agreement on a North Atlantic fares package can be predicted as airline representatives gather in Lausanne for a renewed attempt to avert the "open rate" situation which otherwise will come into effect on February 1.

A spokesman for the International Air Transport Association noted to-day that every *member* airline, including Lufthansa, would like to see an agreement.

Senior commercial executives of the airlines will meet for two days, starting to-morrow, to thrash out agreement on overall policy to be worked into a fares package. If this is achieved, formal negotiations can start on Thursday and may last into early next week. It seems clear that the Montreal "package" will be used as a basis for the talks, although the fare offering is likely to be considerably simplified.

## Saleroom

# Paintings fetch £61,385

A STILL-LIFE of flowers by Paul Theodore van Brussel went for £12,500 to Leggatt at Phillip's sale of paintings yesterday. The total was £61,385.

Patterson gave £4,000, £2,800 and £1,000 respectively for three river scenes by Hermanus Koekkoek, a private buyer £2,000 for *A Political Discussion* by Francois Brunery; and Western £1,600 for *The Lime Kiln* at Beccles, along with *Entrance to Oulton Dyke* by J. Stark. A channel view by L. Bakhuyzen went for £1,900 to Drown; a seascape in the style of *Dodd* for £1,600 to Brendling; a marine scene by Johannes Hermanus Koekkoek for £1,500 to Allen; a snow scene by Thomas Smythe for £1,400 to Johnson; a pair of farmyard scenes by Edgar Hunt for £1,300 to Chapman; and *The Three Cavaliers' Trophies* by Adolphe Alexandre Lesrel for £1,000 to McConnall Mason.

At Sotheby's a sale of pewter realised £18,269. Mundy gave £670 for a double-handled pewter loving cup, c. 1700, and Jansen £560 for a wine measure of double litre capacity by Nicolas Paul of Geneva, first half 18th-century. A large measure by Giuseppe Maciaco, first half 19th-century, and a large 17th-century Dutch flagon of Leyden type each went for £500 to Piccadilly Gallery.

In Sotheby's book room in the first session of a two-day sale of printed books which realised £10,261, Hammond gave £1,350 for *Hortus Sanitatis*, Strassburg, 1497. Hevelius's *Selenographia* 1647, *Mercurius in Sole* 1661, and *Epistolae II* 1654, in one volume, went to Dawson for £480, a first edition of Darwin's *On the Origin of Species* 1859, to Whaldon and Wesley for £400 and Babingtons *Pyrotechnia* 1635 to Edwards for £280. Sotheby's afternoon sale of antiquities realised £8,206.

In a £12,691 sale of English porcelain at Christies' a Darby documentary plaque painted by J. Rouse junior, was sold for 400 gns. and a pair of Bow "birds in branchis" candlestick groups for 340 gns., both lots to Grosvenor Antiques.

# Unions in joint move at Boots

THE Association of Scientific, Technical and Managerial Staffs and the staff section of the Union of Shop, Distributive and Allied Workers have decided to pool resources for a joint campaign to recruit from more than 1,000 staff workers at the Boots group.

The area organiser for USDAW, Mr Mike Hill, said that Boots was the only major company in the Nottingham area where clerical staff were not unionised.

# Satellite launch Thursday

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE LAUNCH of Britain's first technological satellite, Prospero, from the Woomera, Australia, range is now expected to take place on Thursday instead of to-day.

The £2m. satellite is to be placed into a near-Polar orbit by a Black Arrow launch vehicle. It is designed primarily to test equipment for future space vehicles and will also conduct a scientific experiment to measure the incidence of micro-meteoroids ("space dust") which can cause damage to spacecraft.

This will be the last launch using the Black Arrow vehicle, following the recently-announced decision that this national launcher programme is to be terminated as part of the realignment of the National Space Technology Programme.

# COMPANY NEWS + COMMENT

## Lankro first half profit downturn

IN the half year to August 31, 1971, pre-tax profits of the Lankro Chamicals Gronp fell from £415,000 to £332,000.

Even in present market conditions, says the Board, profits for the second half should be no less than those earned in the first half, and it is the prime objective, without relying on general economic improvements, to halt and reverse the recent unfavourable movements in the group's cost-price relationships.

For all the year to February 28, 1971, pre-tax profits were £847,000.

The interim dividend is held at 5 per cent.—last year's total was 20 per cent.

| | 1971 £000 | 1970 £000 |
|---|---|---|
| Turnover | 8,023 | 7,246 |
| Trading profit | 617 | 633 |
| Depreciation | 214 | 191 |
| Investment grants | 29 | 26 |
| Interest charges | 100 | 53 |
| Profit before tax | 332 | 415 |
| Tax | 140 | 175 |
| Net profit | 192 | 240 |
| Interim dividend | 55,000 | 55,000 |

The half-year results were, to an extent, anticipated in the annual report, and directors believe the increase of 11 per cent. in group turoover achieved during a period of flat national economy would, in normal circumstances, be satisfactory.

However, in the face of a second quarter decline in European prices affecting the group's sector of the chemical industry, the growth in available margin was insufficient to match the rate of cost increase experienced over the past 12 months. The group has adequate capacity in all major product areas to take full advantage of such further growth as may result from the recent fiscal measures taken by the Government, it is stressed.

Lankro's new polyester plant in Eccles came into operation successfully, and on schedule, in September. The products deriving from this plant will "significantly expand" the service to the urethane industry.

Burts and Harvey's agricultural chemical plant is now fully operational, and the exceptional revenue axpenditure associated with bringing it to that point has ceased, but has, together with seasonal factors, led to the company producing a small net loss at the halfyear mark. The directors have "every hope" that this company will return to profitability during the second half of this year.

Associated companies have continued to show good growth during the period, and tha Indian associate is now operating profitably.

### ● comment

The 20 per cent. drop in Lankro Chemical's first half pre-tax profits is the result of price competition not matched by the group's raw material suppliers—particularly in the second quarter where Lankro cut prices in order to hold customers and to penetrate the European markets. Complicating this, the group's chief suppliers are ICI and Shell who are also its major competitors. A further aggravation is the general flatness of the detergent, plasticiser and agricultural markets. No immediate improvement is on the cards, but with a turnround in the U.K. economy expected by 1972, Lankro with its expanded capacity and investment in Burts and Harvey should be in a position to take advantaga of this. However this is little consolation for the shares which fell 22p to 172p yesterday to give a p/e of 21 on fully diluted prospective earnings of 8.2p a share (from doubled first half profits).

### INDEX TO COMPANY HIGHLIGHTS

## Rediffusion Television prospects

IN SPITE of the loss of rental income from St. Catherines House, the directors of Rediffusion Television expect current-year profits "not likely to be much below" those for the year to July 29, 1971.

This is subject to the present trading position of Thames Television not being adversely affected during the remainder of its year.

As reported on October 20 group pre-tax profit for the past year axpanded from £1,023,784 to £2,287,092, reflecting an upsurge in profit of Thames Television. The Ordinary dividend is stepped up from 6¼ to 20 per cent. and the Preferred Ordinary from 6¼ to 8¼ per cent.

Turnover from leasing of properties was £390,000 (£522,000) and pre-tax profit from that source was £204,000 (£326,000). Turnover from the sale of programmes and films was £16,000 (£19,000) and profit £9,000 (£16,000). The share of profit from TT was £1,825,000 (£383,000) and investment and other income amounted to £278,000 (£283,000).

In the 1967-68 report an explanation was given of the arrangements which, to meet the desires of the Independent Television Authority, had been made concerning the control of Thames Television. It is now over 2½ years since the ITA decision was made public, but the arrangements still have not been put into effect, it is pointed out, and there now remains less than three years of the six-year contract granted by the ITA to Thames Television. Consequently, control of TT remains in the hands of EMI, while Rediffusion continues to hold 50 per cent. of the shares and to contribute 50 per cent. of the investment.

The scheme for the internal modernisation of the company's premises, St. Catherines House, which is being financed by the company at an estimated cost of £1.3m., is progressing satisfactorily. The company is suffering a considerable loss of rental income during the period of the scheme, but the arrangements, whereby IPC will take up an underlease of the premises upon completion and, in any event, not later than June, 1972, will result in the company obtaining a substantial profit rental from June, 1972 onwards.

The ultimate holding company of Rediffusion TV is British Electric Traction, which is the beneficial owner of 170,000 Ordinary, 2,380,000 Non-Voting "A" Ordinary and 35,000 Non-Voting Participating Preferred Ordinary. Rediffusion Limited, a subsidiary of British Electric Traction, holds 127,848 Ordinary and 1,780,659 Non-Voting "A."

Meeting, Stratton House, Piccadilly, W., November 16 at 10.30 a.m.

## Post strike hits Reed Executive

AN interim dividend of 20 per cent. is declared by employment agents Reed Executive and directors repeat their January prospectus forecast of a 35 per cent. final to maka 55 per cent. for 1971.

First half pre-tax profit—fell to £83,184 from £147,489, reflecting the effects of the postal strike, which is estimated to have cost the group in excess of £60,000.

After tax of £38,200 (£68,146) the net profit was £44,984 against £79,343.

For all of 1970, there was a group pre-tax profit of £319,626.

The chairman, Mr. A. E. Reed, has waived the dividend on 1,134,500 shares and his family trusts have waived entitlement to 50 per cent. of the dividend dne on 926,900 shares.

### ● comment

The postal strike has had a predictably depressing effect on Reed Executive's first-half results, but there seems to have been no growth anyway even after adding back the exceptional costs involved here. This is because of sizeable starting-up costs resulting from the 21 branch openings in the period. But since new units take some months to get into their stride the second half of 1971 should benefit correspondingly. Thus, even though the temporary market is still dull, July-December profits are expected to be up, with more coming in from other activities like executive placing and, recently, record sales. The shares have not taken much account of this and are still below the January offer level, but at 52p the prospective p/e of around the 12 mark looks an under-rating given Brook Street's likely p/e five points higher.

## Utd. Real Property valuation

FREEHOLD and leasehold properties of the United Real Property Trust were revalued on April 5, 1971, by tha company's professional staff and, based on this, the directors are of the opinion there is a surplus of £16.14m. (the company £6m.) over net book value of £17.77m. (the company £2.59m.) after minorities.

This surplus is stated before taking acconnt of taxation, if any, or selling costs which might arise in the event of the assets concerned being realised.

Generally, valuations have been calculated on tha basis of current market values. Properties held for future redevelopment have been valued on an investment basis on existing buildings, or, where development is likely to take place in the foreseeable future, on a site value basis.

As reported on October 21, 1971, pre-tax revenue for the year to April 5, 1971, was £937,444 (£956,495) with a dividend of 15 per cent. (same). As foreseen, the figures reflect a decline in interest rates earned from loans to local authorities.

At the year-end the chairman—Mr. M. Wohl—was beneficially interested in 6,130,760 Ordinary shares of 25p.

Meeting, Connaught Rooms, W.C., November 24, noon.

## Portsmouth Sunderland profit up

FIRST-HALF group profit of Portsmouth and Sunderland Newspapers has increased from £252,300 to £283,500.

The net figure came out at £174,000, against £141,300, after tax of £109,500 (£111,000).

An unchanged interim dividend of 1.25p per 25p unit has already been declared. The total for the year to March 31, 1971, was 5p from a pre-tax profit of £465,166.

### ● comment

After a 28 per cent. pre-tax jump in the first half of 1970-71 Portsmouth and Sunderland's growth rate slowed to 2 per cent. in the second, leaving profits still a long way short of full recovery. The group returned £629,000 before tax in 1968-69. However, a pre-tax rise of 12 per cent. in the first half of the current year shows the group to be on its way once again though how far this recovery trend will continue is not yet clear. Advertising revenue is currently buoyant both for classified and display, but margins are still under heavy pressure (particularly from wages). Moreover, there is a further newsprint price rise falling in the current half. So until the growth prospects are clarified an historic p/e of 11.7 at 76½p seems high enough.

## Increasing demand at BMK

THE KILMARNOCK carpet factory of Blackwood Morton and Sons (Holdings) was busy at present, Mr. K. M. Hamilton, chairman, told shareholders at the annual meeting yesterday.

In the near future the warehouse for finished goods would have to be extended and the necessary land adjacent to the building had been acquired, ha said. More wide Axminster looms and tufting plant would be needed to meet the anticipated increase in the demand for group products.

Mr. Hamilton reported soma success in both home and export trades with the new tufted quality carpets made on new machinery imported from the U.S.

A recent visit to Canada confirmed that business at the plant there was improving but with the dollar crisis "one could not be too optimistic" as the Canadian factory did a big business with the U.S. If Britain entered the EEC, that factory would benefit because, presumably, British makers would lose Imperial preference.

On the other hand, the Board would have to think how they were to take advantage of the greatly enlarged European market. Normally they did not have excess capacity and tried to keep in line with demand, and it would require substantial investment in plant and buildings somewhere. The cost of transport and the time taken to reach the big markets were important considerations in determining where new plant should be laid down, whether in Scotland, in the south, or on the Continent.

## Enalon's second half

Reflecting a substantial improvement in the second half, in line with expectations, group pre-tax profit of Enalon Plastics amounted to £80,834 for the year to June 30, 1971, compared with £109,404 for 1969-70. At the halfway stage it was down from £57,039 to £30,077.

A final dividend of 15 per cent., as forecast, maintains the total at 22½ per cent.

Current year turnover is up on the same period last year and profits for the first three months are running at a higher level than for the comparable period. The total order book is in excess of that for last year, the directors report.

| | 1970-71 £ | 1969-70 £ |
|---|---|---|
| Profit | 80,834 | 109,404 |
| Taxation | 28,363 | 46,974 |
| Net profit | 52,471 | 62,430 |
| Ordinary dividend | *24,750 | 24,750 |

*After waivers of £11,250 (same) by chairman, Mr. L. F. Moore and Mrs. D. M. Moore on total of 200,000 shares.

## Confidence at Orbit

The directors of Orbit Holdings "are confident that the trend for the medium and long-term should be upward," says Mr. Carl Ross.

The portfolio of quoted investments has been reorganised by Keyser Ullmann, bankers, appointed last November as investment managers.

Net asset value of Orbit's 25p shares increased during the 15 months to June 30, 1971, from 69p to 74p. By September 30, it had risen further to 75p, Mr. Ross reports.

As announced, a 15 per cent. dividend compares with 10½ per cent. for the previous 12 months, equal to an increase of 1½ per cent. on an annual basis. Profit after tax rose from £32,466 to £52,962.

Meeting, Great Eastern Hotel, E.C., November 17, at 11.45 a.m.

Mr. Irvin Hayinck (left), chairman nf Armstrong Equipment, with Mr. Harry Hooper, chief executive and group managing director, at yesterday's annual meeting in Londnn. Mr. Hayiock has already fnrecast that the group shnuld show a continuation nf progress achieved in the last five years.

## DIVIDENDS ANNOUNCED

| | Current payment % | Date of payment | Corresponding div. % | Total for year % | Total last year % |
|---|---|---|---|---|---|
| British Invest. Trust int. | 7 | — | 6½ | (d)— | 14½ |
| Central Mnfg. | 15 | Jan. 22 | 10 | 25 | *17½ |
| Enalon Plastics | 15 | Dec. 10 | 22½ | 22½ | 22½ |
| Kuala Reman | 15 | Dec. 8 | 20 | 15 | 30 |
| Lankro Chemicals ... int. | 5 | Feb. 17 | 5 | — | 20 |
| Pontin's | 2 | Dec. 13 | — | 14 | 12 |
| Pontin's int. | 7 | Dec. 13 | 6 | — | 14 |
| Tennamaram Palm Oil int. | 3 | Dec. 6 | 30 | 15 | 30 |
| W. Uttley int. | 4½ | Dec. 7 | 4½ | — | 10 |

* Equivalent after allowing for scrip issue. † Amount per share. (a) Tax free. (b) On capital increased by rights and/or acquisition issues. (c) For nine months. (d) Total 15 per cent. anticipated.

## Brooke Tool poised for recovery

ON SALES of £1,237,433 group pre-tax profit of Brooke Tool Engineering (Holdings) amounted to £24,436 for the 26 weeks to March 26, 1971. The figures exclude losses of T. S. Harrison and Sons, now sold to the George Cohen 600 Group, and of Brooke Tool Automation, which is being run down prior to closure following tha compulsory purchase order served on the Perry Barr premises.

For the corresponding period a year earlier and for the year to September 25, 1970 sales were £1,834,669 and £3,762,105 and profit £12,998 aod £19,054 respectively including both Harrison and BTA.

There is no liability for corporation tax in any of the past three periods as a result of previous tax losses being brought forward.

The net purchase price for Harrison, after payments under warranties, was £680,000. BTA, which is due to close next January, is expected to incur trading and terminal losses in tha region of £80,000 after bringing into account compensation receivabla for the compulsory purchase.

The trade investment in Cardinal Steels, currently valued at £59,010, is being reviewed and it may be necessary to provide about £20,000 for diminution in value when the audited accounts for the full year are available, the directors state.

Results for the full year (excluding the substantial losses in Harrison, BTA and Cardinal) are expected to show approximately a break-even position.

Despite the disappointing year, the group is in a position to take full advantage of the reflation of the engineering industry when it begina. Plans are being prepared for extensive reinvestment in plant and buildings over the next two to three years which will lead to a significant improvement in efficiency.

The directors recommend that continued restraint be exercised and have decided that no interim dividend will be paid. The last payment was 2½ per cent. for 1967-68.

## British Investment Trust

CURRENT YEAR earnings of British Investment Trust are expected to allow payment of a total dividend of 15 per cent., against 14½ per cent. for the year to March 31, 1971, the directors state. The interim is stepped up from 6½ to 7 per cent., as forecast, to reduce disparity.

At September 30, 1971, total gross revenue for the year to March 31, 1972, was estimated at £3,365,000, against £3,411,000 actual for the previous year. Consolidated earnings are currently estimated at 14.88 per cent. (estimate at September 30, 1970, 13.73 per cent.) which compares with actual earnings of 15.18 per cent. for 1970-71.

The valuation of investments at September 30, amounted to £104.41m. (£91.1m. at March 31, 1971) including the full dollar premium amounting to £7.32m. (£5.6m.). Properties were valued at £5.39m., against £5.36m., making a total of £109.8m. (£97.06m.).

Net asset valua of each Ordinary share, including the full dollar premium, was 170½p (146p)—on the sale of premium dollar investments, 25 per cent. of the dollar premium is surrendered—if all dollar investments were sold the nat asset value of each share would be reduced by 3½p (2½p).

The directors are considering a new issue of Convertible Debenture stock in the near future and full particulars will shortly be announced. The number of Ordinary shares required to satisfy conversion rights attached will be in excess of the balance of the unissued capital. Accordingly an extraordinary meeting will be held on November 10 to consider an increase in the authorised capital from £17.1m. to £19.6m.

## Stothert & Pitt's big provisions

BATH-based engineering group, Stothert and Pitt, reports an improvement from £52,712 to £213,028 in profits, before tax and exceptional items, for the 53 weeks to July 3, 1971, compared with the previous year.

Last April, announcing a first half (28 weeks) loss of £47,152 (profit £62,741) the directors said there was some indication of a recovery in home demand, and they hoped for some improvement in results for the remainder of the year.

Preference dividends have been paid but there is again no Ordinary dividend—there was a 10 per cent. total for 1968-69.

The directors have made a review of group assets and have found it necessary to make additional charges in respect of obsolescent stocks and work in progress and to write off development expenditure, which together total £650,070 (£30,451). They have also provided £25,000 for exceptional losses on exchange.

These amounts, less tax credits of £174,666 (£30,600), are being treated as exceptional items and have not been taken into account in arriving at the profits given. A transfer of £287,376 (£15,739) has been made from revenne reserves to profit and loss to cover the difference between the net total of the exceptional items, £500,404 and the year's profit of £213,028.

Directors have also decided to write down from capital reserves the book values of plant, machinery and equipment by £293,996; fixtures, fittings, loose tools, patterns and drawings by £148,000; and investments in associated companies by £117,143. A reduction of £94,357 in depreciation charged against trading profits in 1970-71 is attributable to the adjustment of book values on plant, machinery and equipment.

As a result of tax losses available to the parent, no corporation tax is payable by the group for the period.

The group's sales totalled £7,590,000 compared with £7,030,000 in 1969-70 (exclusive of the turnover of subsidiaries sold), an increase of 8 per cent. in value.

The meeting will be held at Bath, at noon on November 29.

| | 53 wks. 1970-71 £ | 52 wks. 1969-70 £ |
|---|---|---|
| Profit | 409,828 | 300,564 |
| Depreciation | 76,906 | 171,606 |
| Bank interest | 119,894 | 76,246 |
| Profit before tax | 213,028 | 52,712 |
| Taxation | — | 68,600 |
| Net profit | *213,028 | †15,888 |

* Before exceptional items. † Loss.

### ● comment

At first sight Stothert and Pitt seems to have managed a sizeable turnround in the second half of 1970-71 but in fact the major part of the pre-tax improvement is the result of reduced depreciation stemming from the write-offs on plant, machinery and equipment. Other factors in loss-elimination on two subsidiaries, lower overheads because of the 10 per cent. redundancies and an improved pattern of contract completions. The write-offs have produced a more realistic net asset value of probably around £4m. against £5m. last year. On the trading front the position looks reasonably encouraging with the construction and pump markets picking up though U.K. demand for cranes is still rather depressed. In future the group intends to develop its specialist interests though the market is still giving tha reconstructed Board a vote of confidence with a fully taxed p/e of only about 10 at

## Earlsgate confident

On the basis of information available to the directors of Earlsgate Holdings, group profit for the year to January 31, 1972 should reflect the confidence expressed by the chairman in June.

Announcing this in an interim report the directors say they are again of the opinion that publication of specific results for the first-half would not necessarily reflect the likely outturn of the year.

For the year to January 31, 1971 group pre-tax profit was £95,4 (£79,985) and the dividend 36 per cent. (30 per cent.). Activities include building and civil engineering contracting.

### TOWN CENTRE PROPERTIES

Sempah (Holdings) announces that acceptances in respect of its offer for the shares in Town Centre Properties not already beneficially owned have been received in respect of 908,215 shares from 364 holders, representing 84.60 per cent. of the shares the subject of the offer and 66.18 per cent. of the holders of such shares. Of the shares the subject of acceptances, 320,624 were in respect of the exchange offer and 587,591 in respect of the cash alternative.

Sempah has declared its offer unconditional. The cash alternative closed October 22, but the share exchange offer will remain open. Sempah and its subsidiaries now beneficially own 1,434,732 shares in TCP (89.67 per cent.).

ING NEWS

# est Wits to offer ares at 466p

ENNETH MARSTON

ers now announced of posed rights issue which itwatersrand Areas is to part of the deal whereby mpany is to merge with ields of South Africa, the owned subsidiary of Cond Gold Fields. West Wits ing holders registered on 29 one new share at R8 imately 466p) for every d. The offer will close ember 26 at noon.

tha merger terms, West to acquire GFSA for shares; the latter do not, rse, rank for the rights When tha details were iced at the end of last West Wits were standing which put a value on the £23.45m. This compared net asset value of GFSA e 30 of £25.6m.

## rket decline

e then share prices have med and at last night's price 5p, the value of the deal dropped to £17.25m. The issue has also been downd: previously it was led to raise £11.3m., but tha now announced will proonly about £10m.

far as Gold Fields is cond it can be argued that if hares it le to acquire for ale of GFSA have a lower than they did before, at the parent will have to find ly less cash to follow up rtial entitlement in the West rights issue. Furthermore, has been no change in the ngs position of either West or GFSA.

## OLDSWORTHY'S OYALTY DEAL

cording to the Western ralian State Minister for lopment and Decentralisa- Mr. Herbert Graham, the st Goldsworthy iron ore parthave agreed in principle that will pay a higher royalty rate the iron ore deposits at ngarra, Sunrise Hill and tie. This should clear the way State approval of their acquisiof the deposit from Mr. iel K. Ludwig's Sentinel ing.

e proposed royalty payable mining the deposits would be per cent. on direct-shipping p and fine ore. Existing stanl rates are 7.5 per cent. for p ore and 3.75 per cent. for ore. It should mean an estied return to the State of $32m. 5m.), compared with about m. under the present scale.

artners in the operating comy, Goldsworthy Mining, are nsolidated Gold Fields of Ausia, Cyprus Mines and Utah nstruction. The Nimingarra ea deposits are in the same tion as Goldsworthy's new Shay in mine to the east of Port dland and they have known n ore reserves of 44m. tons ich would raise the group's al to 114m. tons.

Meanwhile, Goldsworthy ning's present productive erations are at the Mount Goldsworthy deposit. Shipments of iron ore rose to 6.8m. wet long tons in the year to last June and the company is aiming at a target of 8m. tons by 1973. Consolidated Gold Fields has a 68 per cent. stake in Consolidated Gold Fields Australia.

# NBH-CRA scheme

THE SCHEME for merging the lead-zinc-silver interests of New Broken Hill and those of Conzinc Riotinto of Australia was approved at yesterday's Melbourne meeting of the former company. The chairman, Mr. F. F. Espie, said that the deal would create a large integrated mining smelting and marketing organisation capable of competing in world lead and zinc markets.

The lead-zinc interests will be held by a new company, Australian Mining and Smelting, ownership of which will be split up as to 57½ per cent. by CRA and 42½ per cent. by another newcomer NBHC Holdings.

AMS is to acquire Rio Tinto-Zinc's four-year-old zinc smelter at Avonmouth which had an original capital cost of £15m. and which is still making losses under the present set-up. Mr. Espie disclosed that the price to be paid would probably be about $18m. (£8.4m.) while around $7m. (£3.2m.) would be needed for the RTZ holdings in the three companies which provide market outlets for zinc. It is safe to assume that the payments for these assets will be spread over a period of time

As already announced, holders of New Broken Hill will exchange their shares for those of NBHC Holdings on a one-for-three basis. Dealings in New Broken Hill are expected to continue until the scheme becomes effective, on or about November 15. Trading in NBHC Holdings will take place on the following day.

Existing interests in the CRA exploration programme and in the Bougainville copper project will be preserved. Each of the NBHC Holdings shares will therefore have an indirect stake of one share in Bougainville. At last night's price of 100p for Bougainville in fully-paid form, New Broken Hill are thus valued at 300p on this interest alone compared with the market price of 325p.

## CHAPLIN

Net profit of Chaplin Holdings for the six months to June 30, 1970, was £28,332, against £26,052, after tax of £3,870 (£8,497).

First half net profit of the subsidiary companies was £26,613 (£8,821 loss) of which £11,000 is applicable to the parent company (£7,948 loss).

Chaplin is a holding and investment company with controlling interests in Emu Wine Holdings and P. J. Howes, a property owning company.

## RECENT ISSUES

### EQUITIES

| Issue Price p | Amount Paid Up | Latest Renunc. Date | 1971 High | 1971 Low | Stock | Closing Price p | + or − | Div. % or Amount | Times Covered | Gross Yield | P/E Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| [illegible] | F.P. | — | 335 | 312 | Anglo-Am.Ind.Cp.(R1) | 330 | ...... | t32½ | 11.5 | 6.6 | 12.5 |
| [illegible] | F.P. | — | 310 | 300 | Do. Do. Defd.(R1) | 305 | ...... | t32½ | 11.5 | 6.0 | 11.6 |
| [illegible] | F.P. | — | 220 | 145 | Carron Co. (Hldgs) | 178 | +2 | b20 | 2.3 | 2.9 | 14.9 |
| [illegible] | F.P. | 19/11 | 60 | 54 | Continuous Stat'y. 10p | 60 | +2 | b27½ | 1.3 | 4.6 | 11.4 |
| [illegible] | F.P. | 10/12 | 88 | 85 | Crouch (Derek) (20p) | 86½ | +½ | b20 | 1.8 | 4.0 | 12.1 |
| [illegible] | F.P. | 24/11 | 133 | 126 | Davies & Newman | 127 | ...... | h30 | 1.0 | 0.9 | 10.3 |
| [illegible] | F.P. | 3/11 | 13½ | 12 | EmpressServ.(H'gs)10p | 12½ | ...... | bd10 | 1.2 | 6.0 | 10.7 |
| [illegible] | F.P. | 12/11 | 45 | 42 | Francis Parker 10p | 43 | ...... | bd20 | 1.6 | 4.6 | 14.7 |
| [illegible] | F.P. | 22/10 | 99 | 83 | Grand Met. Warrants | 83 | −2 | — | — | — | — |
| [illegible] | — | 28/10 | 90 | 88 | McKaySecs.CapShares | 86 | ...... | — | — | — | — |
| [illegible] | — | 28/1 | 36 | 27 | Sime Darby Warrants | 31 | −1 | — | — | — | — |
| [illegible] | F.P. | 26/11 | 161 | 129 | Slater W.Secs.W'rr'nts | 139 | −5 | — | — | — | — |
| [illegible] | F.P. | 29/10 | 105 | 101 | Slater W.Inv.Tst.(50p) | 102 | +½ | b4 | — | 2.0 | — |
| [illegible] | F.P. | 2/11 | 81 | 60 | Tigon Group | 81 | +2 | bd35 | 2.0 | 4.6 | 11.6 |
| [illegible] | — | 6/11 | 50 | 38 | Tr'falg'r Hse'B'W'rr'ts | 50 | +½ | — | — | — | — |
| [illegible] | F.P. | — | 27 | 24 | Yule Catto (10p) | 26½ | ...... | y13½ | 1.3 | 4.9 | 16.1 |

### FIXED INTEREST STOCKS

| Issue Price | Amount Paid Up | Latest Renunc. Date | 1971 High | 1971 Low | Stock | Closing Price | + or − |
|---|---|---|---|---|---|---|---|
| [illegible] | F.P. | — | 123 | 106 | Adepton new 8½% Conv. Ons. Ln. 90/95 | 109 | ...... |
| [illegible] | £10 | 20/1 | 14½ | 10⅞ | Agr. Mort. 9% Deb. 1979-82 | 13½ | ...... |
| [illegible] | £25 | 29/2 | 27¼ | 25¾ | Allnatt London Props. 9½% Deb. Stk 96-2001 | 26 | −¼ |
| [illegible] | £10 | 26/1 | 12½ | 10⅜ | Birm. (City of) 8% Red. Stk. '79-81 | 10⅜ | −⅛ |
| [illegible] | £10 | nil | 12⅜ | 10½ | Bristol Corp. 7¾% Red.Stk. '79-81 | 10⅛ | −⅛ |
| [illegible] | F.P. | 17/9 | 117 | 96 | Butterley 10% Part. Conv. 1976 | 117 | ...... |
| [illegible] | £10 | 21/1 | [illegible] | 11 | Cardiff Corp. 7¼% Red. Stk. 1977 | 11½ | −¼ |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

### "RIGHTS" OFFERS

| Issue Price p | Amount Paid Up | Latest Renunc. Date | 1971 High | 1971 Low | Stock | Closing Price p | + or − |
|---|---|---|---|---|---|---|---|
| [illegible] | nil | [illegible] | [illegible] | [illegible] | Adepton | [illegible] | [illegible] |
| [illegible] | F.P. | 5/11 | [illegible] | [illegible] | Anglo-Welsh | 60 | [illegible] |
| [illegible] | [illegible] | 4/11 | [illegible] | [illegible] | Do. Warrants | 50 | [illegible] |
| [illegible] | nil | 5/11 | [illegible] | [illegible] | Bonochord | [illegible] | [illegible] |
| [illegible] | nil | 4/11 | [illegible] | [illegible] | Brit. Petroleum | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

Renunciation date usually last day for dealing free of stamp duty. [illegible]

## BIDS AND DEALS

# £17m. Delta Metal bid for MEM

THE GROUND was prepared for another bid battle last night when Delta Metal Company announced terms of an offer worth nearly £17m. for the Midland Electrical Manufacturing Company.

An approach by Delta in an attempt to agree friendly terms did not succeed, the MEM Board apparently preferring at this stage to go its own way. However, Delta has already built up a 9.6 per cent. stake in MEM from which to launch its bid.

The bid fits in with Delta's declared policy of getting more added value into its products and getting nearer the ultimate consumer. At present, it is mainly concerned with making and selling a wide variety of non-ferrous metals. MEM is one of its customers, making electrical switch and fuse gear, motor control gear and electrical wiring accessories.

Delta's advisers, N. M. Rothschild, will make an offer as follows: For every 25 MEM Ordinary, 14 Delta Ordinary plus £12 30p of 7.5 per cent. convertible unsecured loan stock 1989, convertible into 90 Delta Ordinary for ten years from 1974.

With the Delta Ordinary at 99p ex-dividend (and down ½p) last night, the terms value each MEM Ordinary at 104½p compared with yesterday's closing price of 94p ex-dividend, up 3p yesterday.

See Lex

# SGT sale to Combined English

Contracts have been exchanged for the sale by Sterling Guarantee Trust of its Salisbury Handbags subsidiary for not less than £1.2m. and a maximum of £1,402,500.

Purchaser is Combined English Stores Group which will satisfy the consideration by the issue of loan stock. Slater Walker, CES's advisers, will buy the loan stock for cash and then offer enough by way of rights to the CES Ordinary holders to gain a Stock Exchange quotation for the stock.

Salisburys, acquired by SGT in March, 1970, carries on the business of handbags, leather goods and fashion accessory retailers from 98 branches throughout the U.K. its sale demonstrates the SGT philosophy completely because it was a trading company with a large property element which has had its trading operations turned round into profits and is now being sold, leaving SGT with property and cash.

Terms of the deal—with arrangements made for a higher price if Salisburys' profits go above a certain level—are a clear indication that the trading operations have considerable potential left. The acquisition will further broaden the activities of CES within its stated policy of expansion within specialist areas of the retail trade.

CES intends to expand Salisburys at home and overseas and maintains this will be greatly helped by Salisbury having access to the expertise and resources of CES.

Full details of the arrangement are as follows: consideration in respect of the capital of Salisburys outstanding at December 26, 1970, a price of £1.2m. plus four and a-half times adjusted pre-tax profits of the Salisbury group in excess of £203,000 for the year 1971, up to a maximum price of £1,402,500.

In respect of further share capital of Salisburys to be subscribed in cash, for £650,000, a further amount of £650,000.

The total consideration is to be satisfied by the issue at par of 9½ per cent. partly convertible unsecured loan stock 1986-91 of CES, which is to be sold for cash to Slater Walker. Holders will be entitled to convert up to one-half of their holdings in 1974 to 1977 inclusive into CES Ordinary at 55p per share.

SGT will receive a dividend equivalent to consolidated profits after tax of Salisburys for the year 1971. Interest on the stock will not begin to accrue until December 26, 1971.

SW has entered into an agreement to purchase the stock as follows: (a) In respect of the initial issue of £1.85m. nominal of stock, at a cash price of £1,840,052. (b) In respect of the balance at par, plus any accrued interest.

Audited accounts of Salisburys for the year to 1970, showed pre-tax profits of £164,507. Net tangible assets as at December 26, 1970, were £473,000 (excluding the excess of market value of leases above book value) before including the cash subscription of £650,000 mentioned above.

The profit is not comparable to the profits to be used for determining the price, as increased rents due to inter-group property transfers and inter-company interest have been fully charged in 1971. On a comparable basis to last year the £203,000 mentioned above would equate to £284,000.

## WM. HILL BUYS FOUR MORE SHOPS

The William Hill Organisation is issuing 22,272 Ordinary 10p stock units at 88p per unit (as agreed on July 27, 1971) in satisfaction of £20,000 of the consideration of £40,000 for the acquisition of four licensed betting offices in the Liverpool area. The balance of £20,000 is being paid in cash.

## STEPHENSON

The Austin-Hall Group, which now owns 82.6 per cent. of the total voting rights in Stephenson Developments (Holdings) has notified all outstanding shareholders, that it intends to close the revised offers on November 12, 1971.

## BROWN BROS. PREF.

The quotation for Brown Bros. 7½ per cent. preference has been cancelled at the request of the company, over 83 per cent. having been acquired by Brown Bros. and Albany. Application to make specific bargains may be submitted.

## METALRAX

Metalrax (Holdings), Birmingham-based engineering group, has moved into London with the acquisition of the trading assets and undertaking of the engineering division of Broadfields Garage and Engineering Company, in Enfield. Consideration is £90,000 cash, plus a further £10,000 if pre-tax profits of Broadfields in the first year exceed £20,000. Book value of the assets is in excess of the price paid.

To effect the deal, W. C. Alldridge an existing non-trading Metalrax subsidiary, changed its name to Broadfields Engineering Company and subsequently acquired the assets of the Broadfields' engineering division. The existing garage activities of Broadfields will continue under present ownership in separate premises.

Tha business of tha acquired assets is contract repetition machining for the leading motor manufacturers. This is very similar to that of Arthur E. Lunt, an existing Metalrax subsidiary.

# BBA to buy Charles Hirst (Cleckheaton)

The directors of BBA Group, of Cleckheaton, manufacturers of friction materials and industrial textiles, who are being advised by Industrial and Commercial Finance Corporation, announce that agreement has been reached in principle for BBA to offer to acquire Charles Hirst (Cleckheaton), a private holding company.

Consideration of about £1.1m. representing the value of the net tangible assets will be satisfied by the issue of BBA Ordinary based on tha average of tha middle market price during the seven business days prior to the signing of the vending agreement early in November.

Hirst owns extensive factory buildings and land adjacent to the BBA main site at Cleckheaton. The land is required to put up a finished goods warehouse and to expand the Cleckheaton operation of BBA. Hirst also owns a substantial investment portfolio.

Darlington Wire Mills, a member of the British Ropes Group, has agreed terms for the acquisition of Charles Hirst and Sons, the wire-making subsidiary of Charles Hirst (Cleckheaton), for £315,000. Hirst and Sons, which has an annual turnover approaching £1m., draws fine steel wire of many types which are complementary and additional to the production range of Darlington Wire.

# Wood Bastow widening product range

Wood Bastow Holdings, the corsetry and lingerie makers, has reached the final stages of negotiations for the acquisition of two companies which will widen both its product range and its association with Marks and Spencer.

The two companies are Fordham and Burton and Kirkby Garments and the consideration will be about £155,000 in cash.

The main business of Fordham and of Kirkby is the manufacture and supply of nightwear to M and S. This is complementary to Wood Bastow which sells all its products to M and S with tha exception of swimwear manufactured by the Slix subsidiaries.

A further announcement on the deal will be made when contracts have been exchanged.

## TI LAPSES BID FOR NEWALL TOOL

Tube Investments has failed in its bid to take over Newall Machine Tool and has allowed its offer to lapse. The offer, worth some £1.9m., was strongly opposed by the Newall Board. In a letter to shareholders earlier this month, Mr. D. Player, Newall's chairman, said the company was in a stronger position than most in the industry and that with weaknesses now corrected there were excellent prospects for the future.

Announcing its decision yesterday to let the bid lapse, TI said acceptances and other forms would be returned to Newall shareholders shortly.

# Borg Services acquired by Burmah

Burmah Industrial Products has expanded the operational base of its subsidiary Atlas McAlpine by the acquisition of the assets and businesses of Borg Service in U.K. and in Germany from W. R. Grace.

These acquisitions, added to Atlas McAlpine's existing overseas connections, make the company the largest chemical cleaning specialists of this type in Europe, it is stated.

Chemical cleaning services to industry, the marine, and the chemical and oil industries are available for operation in any part of the world, but will be primarily based on U.K. and Germany. In the U.K., the Borg operation will be absorbed into Atlas McAlpine but the German company will continue to operate independently under Atlas direction.

## 117 GROUP STAKE IN LONDON & OVERSEAS PROPERTY

The 117 Group, through its merchant bank subsidiary, Securities Agency, has acquired for an undisclosed cash sum a 20 per cent. stake in London and Overseas Property and Investment Company. At the same time, Securities Agency is making available to L and O a loan of up to £1m. by way of a debenture.

L and O, a private concern, is a new holding company for London and Overseas Properties Group within which are London and Overseas (Investments), London and Overseas (Second Investments) and St. James's Street Properties. The investments company recently entered into long-term financing with a consortium of pension funds managed by merchant bankers Kleinwort Benson. The group has a number of large scale office developments in the pipeline, including the Eurocentre, at Southend.

The £1m. debenture has virtually no time limit on it and Securities Agency has placed no restrictions on its use. This means the L and O directors can apply it when and where they wish and can also draw on the loan to make deposit payments on projects where the balance of finance will be provided elsewhere.

Mr. Sidney Rosen, a director of Securities Agency, has joined the Board of L and O. Another project in hand by L and O is the formation of an international company.

Town Centre Page 26

# Homfray expects improvement

CHAIRMAN of carpet manufacturers, Homfray and Co., Mr. D. E. Gillam, holds the view that an improvement in trading conditions can be expected next year.

However, profitability will depend almost entirely on whether costs can be contained within reasonable limits, he says, "especially as we have fully supported the recent initiative taken by the Confederation of British Industry to seek to stabilise price levels."

In the event of entry into the EEC the group can hope for benefits from a greatly enlarged market, in spite of keen European competition.

As reported on September 24, pre-tax profits for the year to June 26, 1971, improved from £1.66m. to £1.84m. and the dividend is lifted from 21 per cent. to 22½ per cent. In the event of a further profit increase in the current year, the Board would hope to pass on some benefit to shareholders.

Of the U.K. carpet companies export and mail order sales of Birstall Carpet Co., the largest subsidiary, were seriously affected by the postal strike. The wholesale trade, the other main outlet, has been affected by the general economic climate and especially by the "very difficult" credit conditions experienced by customers. As a result profit before tax fell by approximately 14 per cent.

Whitworth Hall Carpets (formerly Nairn Velmar) earned a profit of £240,000. Capital cost of the purchase by Whitworth of a Zimmer printing machine, together with the necessary building work and finishing lines, is substantial, but the Board is confident this move will result in higher profits despite the fact that, as is the case with all tufted products, competition will be keen, says Mr. Gillam.

Profits before tax earned by the Australian subsidiaries improved by about 15 per cent. and, taking into account the highly competitive conditions there, this is regarded as a good result.

The past year was particularly difficult for the furniture trade and consequently pre-tax profits of British Furtex (manufacturers of upholstery and pile fabrics) fell by about 12 per cent., but after taking account of many adverse factors, directors consider this performance "not unreasonable."

During the year group capital expenditure amounted to £1,468,447. Approximately £600,000 was spent on new buildings and plant by the Australian subsidiaries and a further £450,000 at the Riding Hall factory at Willington, Co. Durham, where planned expenditure has been virtually completed.

The directors believe that the family of the chairman and the trustees of certain family trusts are able to control the company by virtue of holdings of shares which amount to more than half the total of the Ordinary and 'A' Ordinary issued, but the company is not "close."

Meeting, Halifax, November 17 at noon.

# Elevators & Engineering profit

AGAINST a corresponding period loss of £15,000, the directors of Elevators and Engineering report a trading profit of £64,000 for the half year ended June 30, 1971.

The profit is before adding interest received £15,000 (£21,000 paid) and crediting exceptional items nil (£96,000).

Directors report that the business is now operating profitably. While they expect the second half to continue to reflect this improvement, no interim dividend is being paid—but a final will be recommended in the light of the year's results.

For all of 1970, there was a trading loss of £14,965. The dividend was 5 per cent. on a profit of £59,966 (loss £268,932) after profit on sale of fixed assets of £135,953 (£67,752) and various debits.

# Varney

Demand for houses built by Varney (Holdings) had shown continued improvement, both in southern England and Scotland, since the start of the current year, Mr. H. R. B. Hobdell, the chairman, said yesterday.

There had also been a satisfactory start made by the plant hire company, the name of which has been changed from Dell Engineering to Dell Plant Hire.

Mr. Hobdell told shareholders at the annual meeting that the situation with regard to industrial developments was slowly being reversed following a poor year in 1970-71.

# INTERNATIONAL COMPANY NEWS + EURO MARKETS

## Daimler-Benz to put 6,000 men on short time work

BY CHRISTOPHER LORENZ

FRANKFURT, Oct. 25.

DAIMLER-BENZ, West Germany's leading commercial vehicles manufacturer, is to put 6,000 employees on short time, at least until the end of the year. Those affected all work at the company's 8,500 strong plant at Gaggenau, near Karlsruhe.

Gaggenau, one of Daimler-Benz's five commercial vehicles factories, produces the Unimog transporter, as well as engines and axles for heavy lorries and transmissions for all types of commercial transporter.

The company says it has been forced to make this move, partly because of export problems in the wake of the currency crisis and partly as a consequence of the situation in the German civil engineering industry. In this sector the government's curbs on public expenditure have been felt keenly, with the result that orders for new earthmoving and construction equipment have been falling off for some time.

Kloeckner - Humboldt - Deutz, Daimler-Benz's chief competitor in the heavy lorry field, introduced short time last month for almost half of the 10,000 workers at its factory in Ulm. It cited the same problems as Daimler-Benz is now experiencing, but its measures have been far more drastic. The Ulm employees are now working only three weeks out of every four, while Daimler-Benz intends to miss only two days next month and seven or eight in December. Whether short time will continue into the New Year is not yet officially clear, but it seems likely.

Daimler-Benz insists that its move should not be taken too dramatically, pointing out that the other four plants are working normally. It also stresses that the problems with commercial vehicles have nothing to do with car production.

On the car front, however, prospects are also dimming. The Automobile Industry Association reports that in the first half of this year gross earnings per unit by the industry as a whole were a third lower than in the same period last year. A rise in sales value of DM3,100m. was more than offset by an increase in production costs of DM3,400m., and the association reckons that the rise in costs was 12 per cent. greater than the growth in turnover.

The picture may have changed by the end of the year, for on the one hand most manufacturers have increased their domestic prices, and some of their export charges, while on the other the progressively higher de facto revaluation of the D-Mark between July and October will take its toll on export profits. Meanwhile the industry is facing a downturn in domestic orders of over 10 per cent.

## Life Savers raises bid in struggle for Stedman

BY MICHAEL SOUTHERN, AUSTRALIA EDITOR

SYDNEY, Oct. 25.

LIFE SAVERS (Australasia), a leading confectionery maker here, has made a strong counter-attack in the take-over battle for James Stedman with a new cash-plus-shares offer worth about $A18.75m.

The company announced yesterday that it was raising its bid to the equivalent of about $A2.74 for each Stedman Ordinary share, compared with its previous bid which had been worth $A2.26 when it was first disclosed on September 23.

The new offer is seven Life Savers shares plus $A13.50 cash for every ten Ordinary 50c shares in Stedman. The bid for Stedman Preference shares remains at $A2.70 each.

The terms are clearly better than the $A2.50 cash offer announced on October 11 by the U.K.-based Rowntree-Mackintosh group, which wants to merge its own Australian activities with those of Stedman so as to gain a 20 per cent. penetration of the expanding local market for confectionery.

In the latest Life Savers offer, the share exchange remains the same but the cash element is considerably increased, to the extent that the company would, assuming a full acceptance, have to provide about $A9.48m.

However, the cash portion of the bid would, to some extent at least, be self-liquidating in that there are possibilities of rationalising the Stedman-Life Savers operations in such a way that surplus assets could be disposed of, and the proceeds used to reduce any outstanding liabilities.

### FIAT GO-AHEAD FOR PLANT

TURIN, Oct. 25.

FIAT is going ahead as planned with its heavy investment programme in Southern Italy. This is made clear by the company's announcement that it will shortly begin construction of a Lire 55,000m. (£37m.) small and medium cylinder automobile motor plant at Termoli.

## Supertest's shareholders may fight BP Canada's bid

BY OUR OWN CORRESPONDENT

TORONTO, Oct. 25.

A DECISION is expected to be made early this week on whether there will be a major proxy fight by holders of the ordinary shares of Supertest Petroleum of Canada against the company's proposed merger with BP Canada. A committee of Supertest shareholders was formed last week to protest against what it feels are unfair terms in the merger agreement. The committee is composed of a number of major institutional investors, headed by Mr. Stephen Jarislowsky, a Montreal investment counsellor.

Under the terms of the merger agreement, BP Canada, a wholly-owned subsidiary of British Petroleum of London would buy the supertest common voting shares at $16.50 a share. Holders of the Common and Ordinary shares will be asked at a meeting on November 2 to vote on a plan to reorganise their shares into a new class of Common stock on the basis of one new Common for each two existing Common, and five new Common shares for each existing Ordinary share.

The reorganisation requires the approval of 75 per cent. of shares represented at the meeting. While it is not believed the Ordinary shareholders' committee has sufficient shares yet to be assured of blocking the reorganisation, it is thought that they are close enough to representing 25 per cent. to exert considerable pressure on the companies. If the committee obtains enough proxies it could effectively block the entire merger, something it claims it is not really interested in doing. Rather, it wants the terms of the merger altered to increase their equity in the merged company, but so far it has not said by how much.

## Tiger Balm sale rumours halt trading in Haw Par

BY OUR OWN CORRESPONDENT

SINGAPORE, Oct. 25.

TRADING was suspended on the Malaysia Singapore Stock Exchange to-day in shares of a company recently acquired by Slater Walker.

The company is Haw Par Brothers International. The suspension in trading was requested by the company itself on the grounds that a Press report this morning in a local newspaper had given the misleading impression that Haw Par had sold one of its main assets. In fact, the company had just concluded a licensing agreement for the manufacturing and marketing of its famous Tiger Balm brand of medicinal products.

Trading in Haw Par shares resumed in the afternoon, however, after the only Singapore evening paper had corrected the morning paper's story. Trading was brisk in Haw Par shares, and they rose 14 cents to close at S3.58.

### BOEING SALES, PROFIT DOWN

By Nicholas Colchester

NEW YORK, Oct. 25.

SALES BY the Boeing Company were halved in the third quarter from $913m. to $459m., but extraordinary factors maintained earnings for the period at 19 cents a share, or a total of $4,065m., against 20 cents.

Boeing's profit for the first nine months now stands at $1.76 per share after tax which includes, in the equivalent total figure of $38m., investment tax credit worth $12m. and a rebate of $19.8m. granted by the Government as a result of the cancellation of the supersonic transport project. The equivalent nine-month total in 1970 was $17.4m., including investment tax credit of $11.7m.

### CHRYSLER REPORTS RECORD

CHRYSLER CORPORATION today reported record sales of $1,900m. in the third quarter and profit that was more than doubled from $2.1m. (5 cents a share) to $6.2m. (12 cents a share). But the company also said that the rising cost of labour and materials underlined the need for a price increase after the end of the Nixon price freeze.

Chrysler stated that it was in basic agreement with the Administration's objectives of controlling inflation and had supported the 90-day freeze with a 100 per cent. roll-back of its scheduled 1972 price increases. But it added that though it would continue to support the President in the second phase of his programme, the price roll-back would mean that it would not be able to recover any of the increased costs associated with production in 1972.

### CEDEL/EURO-CLEAR "AGREEMENT"

## Need to clear the air

BY WILLIAM LOW

THIS WEEK should see the implementation of an effective link between the Eurobond market's two clearing systems—CEDEL and Euro-clear. By Thursday at the latest, transactions between participants of the respective systems will be settled on the basis of payment in New York the day after bonds are delivered by one system to the other in Luxembourg.

Inter-system transfers, however, should have started on October 1, according to an agreement signed by both parties on September 21. Before going into the reasons why this schedule could not be maintained, it is necessary to describe the series of events leading up to the so-called "working agreement."

In late 1968, Morgan Guaranty Trust Company, of New York, formed in Brussels an operation—Euro-clear—specifically designed to provide a central system for settling deals, regardless of the location of the buyer and seller. The advantages of Euro-clear were obvious and it soon attracted a large clientele. However, a group of Continental banks, especially those based in Luxembourg, felt that it was wrong for one bank to handle settlement transactions on behalf of the market and so set up last year a co-operative-type clearing system called CEDEL.

The existence of two rival clearing groups worried many members of the market's self-regulatory body, the AIBD. Accordingly, at its annual meeting in Paris last April, the AIBD called upon CEDEL and Euro-clear to negotiate a "bridge" to enable settlements between members of the two systems to be affected as cheaply, smoothly and easily as settlements within one system.

A series of secret meetings between the two systems, with the AIBD Executive Committee acting as mediator, took place during the summer, culminating in the signing of an agreement last month.

So why then was the agreement not in operation on October 1? According to a statement by CEDEL, Euro-clear simply refused to implement the agreement.

Euro-clear, however, maintains that matters are not so clear-cut. James Chandler, a Morgan Guaranty vice-president who is responsible for Euro-clear, has supplied the FINANCIAL TIMES with a detailed statement of reasons why Euro-clear could not go ahead on October 1.

During the meeting which resulted in the signing of the working agreement on September 21, "it was the clear understanding between the participants at that meeting that in the interests of users of both systems the terms of the agreement signed must be subject to review by and agreement of the legal advisers of each system. During this and previous meetings, we and CEDEL had agreed that questions relevant to both credit and insurance risks must be satisfied, particularly in view of CEDEL's structure, which, not being a bank, as they pointed out on several occasions, would require some clarification."

On September 23, Chandler claims, Euro-clear cabled CEDEL a proposed conditional clause which could provide safeguards to cover risks arising from the release of securities by either system to the other prior to receipt of irrevocable payment for such securities in New York. CEDEL, according to Chandler, accepted the principle of incorporating such a conditional clause as a supplement of the original agreement.

The Euro-clear statement continues: "We felt that the meetings which took place with CEDEL representatives had been held in a constructive climate, and that questions relating to the text had been finally resolved at a meeting in Luxembourg on October 8. This feeling proved to be illusory upon receipt of a cable from CEDEL on October 13, in which they summarily rejected altogether the concept of the conditional delivery clause."

Instead, CEDEL indicated that it was ready to start "immediately" for those participants of both systems "who accept to settle according to the system working agreement as it stands without any delays."

Euro-clear then decided "reluctantly" that in order to implement the working agreement without further delay it would have to ask its members who wished to use the link provided by the working agreement to authorise CEDEL to indemnify Euro-clear with regard to any risks that might occur. On October ..., having received instructions from several participants, Euro-clear telexed CEDEL as follows: "Refer your telex of October ... we are implementing immediately inter-system ... agreement, so you will ... first transaction for settlement in accordance with the working agreement from Caisse d'Epargne de l'Etat Luxembourg to-morrow."

Later that day, CEDEL replied: "Disagree on your approach ... forgot our participants ... he informed that you are ... now. We must avoid more confusion in the settlement of transactions brought about by delays to accept implementation ... we had proposed for October ... we inform our participants to accept transactions for settlement according to working agreement starting for transactions concluded as of October ... settlement 28."

As a result of this, Euro-clear tried to effect transactions with CEDEL ... week, but they were rejected, Chandler states, adding: "... are continuing these efforts ... it is hoped that we shall be able to conclude such transactions even prior to October 28."

Thus, it appears that the working agreement will go into ... some time this week. However, this is unlikely to be the end of the affair. I understand several members of each system, but especially of Euro-clear, are unhappy about the agreement and intend to bring the matter up with the respective managements. As one participant commented: "CEDEL and Euro-clear should remember that they are supposed to be providing a service for their members, not conducting a personal fe...

### SELECTIVE EURODOLLAR BOND PRICES
### MID-DAY INDICATIONS

| | Bid | Offer | | Bid | Offer | | Bid |
|---|---|---|---|---|---|---|---|
| Straight | | | Oslo 8½pc 1986 | 96½ | 97½ | Borden 6½pc 1991 | 106½ |
| Atlas Copco 9½pc 1985 | 102½ | 103½ | Olivetti 9½pc 1985 | 102½ | 103½ | Chrysler 5pc 1988 | 74 |
| ASEA 8½pc 1986 | 97 | 98 | Ontario Hydro 8½pc 1986 | 100½ | 101½ | Cont. Telephone 5½pc 1988 | 97½ |
| Beecham 8½pc 1986 | 97½ | 98½ | Philips 8½pc 1976 | 94½ | 95½ | Eastman Kodak 4½pc 1988 | 99½ |
| Borregaard 8½pc 1986 | 98½ | 99½ | Quebec Hydro 8½pc 1986 | 96½ | 97½ | Equity Funding 5½pc 1989 | 86 |
| Conoco 8pc 1986 | 96½ | 97½ | Transocean Gulf 8pc 1986 | 97½ | 98½ | Firestone 5pc 1988 | 90½ |
| Conoco 9½pc 1985 | 104 | 105 | Notes | | | Ford 6pc 1986 | 108½ |
| Courtaulds 9½pc 1985 | 102½ | 103½ | Cabot 8½pc 1975 | 102 | 103 | Fuji Photo Film 6½pc 1985 | 120 |
| Denmark 9pc 1982 | 103½ | 104½ | Ericsson 8½pc 1975 | 103½ | 104½ | Honeywell 5pc 1983 | 110½ |
| Esso 8pc 1986 | 100½ | 101½ | Esso 7½pc 1978 | 100½ | 101½ | Kinney 6½pc 1990 | 109½ |
| Esso 9pc 1985 | 106 | 107 | Esso 8½pc 1975 | 105 | 106½ | Komatsu 6½pc 1984 | 89 |
| General Mills 8pc 1986 | 97 | 98 | Gatx Oswego 8½pc 1977 | 100½ | 101½ | Michelin 6pc 1983 | 97½ |
| GUS 8½pc 1986 | 97½ | 98½ | Hawker 9pc 1973 | 101½ | 102½ | Murphy 5pc 1989 | 78 |
| Hambros 9½pc 1985 | 104½ | 105½ | Nippon Petrl. 7½pc 1973 | 99½ | 100½ | Owens Illinois 5pc 1977 | 96½ |
| Hamersley 9½pc 1985 | 102½ | 103½ | Oslo 9pc 1975 | 104 | 105 | Pepsico 4½pc 1981 | 131 |
| ICI 6½pc 1992 | 89 | 91 | Transocean Gulf 8½pc 1975 | 103 | 104 | Rand Selection 6½pc 1986 | 88 |
| Ireland 8½pc 1986 | 94½ | 95½ | Source: White Weld Securities. | | | Revlon 4½pc 1983 | 102½ |
| ISEC 9pc 1985 | 103 | 104 | Convertibles | | | RCA 5pc 1988 | 87½ |
| Massey Ferguson 9pc 1982 | 100½ | 101½ | American Can. 4½pc 1988 | 79½ | 80½ | Texaco 4½pc 1988 | 84½ |
| Monsanto 8½pc 1985 | 102 | 103 | American Brands 5½pc 1988 | 110½ | 112 | 20th-Century Fox 5pc 1987 | 88½ |
| Mt. Bk. Finland 8½pc 1986 | 96 | 97 | Amoco 5½pc 1984 | 96½ | 97½ | Union Carbide 4½pc 1982 | 90½ |
| Occidental 9½pc 1982 | 96 | 98 | Beatrice 7½pc 1990 | 110½ | 111½ | Source: Kidder, Peabody Securities. | |

## IN BRIEF

### Europe

● BANQUE DE L'UNION EUROPEENNE (BUE), subsidiary of Cie Financiere de l'Union Europeenne, Schneider group holding company, confirmed reports it would take 33 per cent. stake in German bank, Burgardt and Brockelschen. BUE said it will also acquire 25 per cent. of Francofinanz Betgung, which controls Banque Franco Allemande, of Paris.

● PFIZER plans to acquire "a major interest" in Mack Illertissen, of West Germany, for a number of Pfizer shares, estimated at about 1.4m. The interest will be over 50 per cent. Mack Illertissen, located near Ulm, markets pharmaceutical products, primarily in Germany. Its principal items are cough and cold products and other medicinal products.

● CIE BANCAIRE group first half profit before tax and depreciation rose to Fr.239m. compared with Fr104m. in first half last year. Results for year as a whole will certainly show a considerable increase over last year, when the group made gross profit of Fr299m., said the company. Parent company profit before tax and depreciation advanced to Fr38.9m. in first six months from Fr21.8m. in the same period of 1970.

● MOBIL OIL FRANCAISE, subsidiary of Mobil Oil Corp., of the U.S., said first half provisional net profit rose to Fr.21.9m. from Fr.11.4m. in same period last year.

### North America

● TIME increased earnings by 10.6 per cent. for first nine months of 1971. Consolidated net income for first nine months rose to $13.693m. or $1.89 a share, from $12.386m. ($1.71) in same period in 1970. Revenues were down to $435.1m. from $457.2m.

● STANDARD OIL COMPANY OF INDIANA nine month net earnings rose to $271.4m. (equal to $3.93 per share) from $243.7m. ($3.53) in same 1970 period.

● R. J. REYNOLDS INDUSTRIES third quarter net earnings declined to $58.989m. from $60.811m. on sales of $636.4m., against $648.9m.

● LING-TEMCO-VOUGHT (LTV) reduced its operating loss in third quarter to $13.3m. (equal to 91.72 a share) from loss of $16.4m. ($3.91) in same 1970 period on sales of $787m., against $895m. The 1971 loss is before extraordinary credit of $3.84m. from sale of property, while 1970 loss is restated and is before extraordinary charge of $278,000.

● ALUMINUM CO. OF AMERICA (Alcoa) estimates capital expenditures for the years 1971 and 1972 will approximate $367m., down 30 per cent. from 1969 and 1970. Spending will go primarily toward modernisation of facilities.

● QUEBEC HYDRO-ELECTRIC COMMISSION plans to raise $25m. by way of 15-year Eurodollar bond loan. S. G. Warburg, lead manager, indicated issue will carry coupon of 8¾ per cent. Final terms will be fixed around November 3.

● ZENITH RADIO CORPORATION sales and earnings for nine months ended September 30, totalled $429.68m., up 12 per cent. from the $384.95m. for same period 1970. Earnings were $16.32m., or 86 cents per share, up 55 per cent. from the $10.3m., or 55 cents per share for first nine rising despite increasing costs.

● ROYAL TRUST, largest trust company in Canada, had operating profit of $7.1m. or $1.50 a share in nine months ended September 30, against $3.9m. (94 cents) a year earlier. Consolidated assets at September 30 were $1,853m., up $236m. from a year earlier.

● NORTHGATE EXPLORATION, of Toronto, has agreed to sell its 22 per cent. interest in Western Mines, a British Columbia copper producer, to W. R. Grace and Co., of New York, for 100,000 Grace common shares valued at about $C2.95m. Depending on certain conditions, Grace could also pay up to 29,032 additional shares.

### Others

● MYER EMPORIUM said in Melbourne that net profit rose to $A16.4m. in year ended July 31 from $15.3m., on sales increased to $A476m. from $A420m. Company expects earnings to continue rising despite increasing costs.

## COMPANY NEWS

## Extra 2% from Pontin's: profit up £225,000

ON A PROFIT increased from £2,053,000 to £2,278,000 Pontin's is raising its dividend from 12 to 14 per cent. with a final of 2 per cent. for the year to April 30, 1971.

Preliminary figures for the season just ended indicate that, in spite of the postal strike, profits should be in excess of those of the previous year, the directors state. The interim dividend for the current year is stepped up from 6 to 7 per cent.

The past year's profit includes interest on short-term loans of £85,041 (£134,491) and is subject to tax of £902,000 (£846,000).

The profit also includes commission of £50,000 waived by the chairman and managing director, Mr. F. Pontin.

| | 1970-71 £000 | 1969-70 £000 |
|---|---|---|
| Group profit* | 2,278 | 2,053 |
| Taxation | 902 | 846 |
| Net profit | 1,376 | 1,207 |
| Dividends | 927 | 795 |
| Forward | 2,437 | 1,988 |

* Including £50,000 (same) commission waived by the chairman and managing director and £85,041 (£134,491) interest on short term loans.

The purchase price of Seacroft Holiday Camp, already reported, is to be met from the company's existing facilities, it is stated.

See Lex

### BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last year's timetable:

TO-DAY

Interims—Bristol Merchant Finance, Canadian and Foreign Investment Trust, Cape Asbestos, Hill (Charles) of Bristol, Hill Samuel, Lake View Investment Trust, Minet Holdings, Pritchard Cleaners, Tern-Consulate, Warner Estate.

Finals—Border and Southern Stockholders Trust, Bridport-Gundry, City and International Trust, Consolidated Commercial, Consolidated Trust, Construction Holdings, Harrisons and Crosfield, Hussons Brewery, Longmore Bros., Ricardo and Co. Engineers, Shaw (R. G.).

FUTURE DATES

| Interims— | |
|---|---|
| Balfour Darwins | Oct. 29 |
| Bridgend Investment Trust | Oct. 27 |
| Cohen (George)* | Dec. 2 |
| Imperial Chemical Industries† | Nov. 25 |
| Newman Industries† | Oct. 27 |
| OP Chocolate | Nov. 10 |
| Porter-Lancastrian | Nov. 4 |
| Reed International | Nov. 1 |
| Scottish Ontario Investment | Oct. 29 |
| Whessoe | Nov. 2 |
| Finals— | |
| British Assets Trust | Oct. 28 |
| Brooke Bond Liebig | Nov. 2 |
| Eleco | Oct. 29 |
| Fitzroy Investment | Oct. 27 |
| Garford-Lilley | Oct. 27 |
| Guardian Properties | Oct. 27 |
| Kelsey Industries | Dec. 7 |
| Mucklow (A. and J.) | Oct. 29 |
| Triceville | Nov. 1 |

† Figures only. * Corrected.

## Trident TV growth

The first annual report of Trident Television for the year to May 31, 1971, gives a breakdown of the £17.26m. turnover showing that revenue from advertising, less discounts and commission, amounted to £14.27m., before deduction of £2.13m. Exchequer levy.

The comparable figures for Yorkshire TV and Tyne Tees TV combined in the previous year, before the levy was cut, showed a smaller revenue, £13.08m., and a larger levy payment, £3.04m.

The balance of turnover was made up of sales of programmes, film production, discotheque operation, production of gramophone records and other income, including revenue from TV Times.

As reported on October 20, group pre-tax profit for the year under review was £1,947,433, compared with a forecast £1.6m., and the total dividend is 25 per cent., against a foreshadowed 15 per cent.

Chairman, Sir Richard Graham, has no doubt that results in the current year will match those of 1970-71. "I shall be disappointed if we do not clearly demonstrate the further growth of which I believe Trident is capable," he says.

Meeting, Hyde Park Hotel, S.W., November 16, noon.

## Pressac looks for sustained expansion

DIRECTORS of electro-mechanical component manufacturers and precision engineers, Pressac Holdings, look forward to sustained growth, says the chairman, Mr. G. W. Clark.

The progression maintained by all three subsidiaries throughout 1970-71 was the result of the additional capacity in which the company has invested. It is the intention to pursue the policy of reinvestment in development and production facilities to meet the "ever-growing" demands and to improve still further processes and efficiency within the factories.

As reported on October 15, group pre-tax profits for the year to July 31, 1971, increased from £215,233 to £311,984, the dividend is raised 11 per cent. to 46 per cent. and a one-for-two scrip issue is proposed.

Of the sales and profit, Pressac contributed £1.37m. and £219,044 and Wagstaff and Appleton and KBL Engineering (Stapleford), £355,300 and £92,940.

Group sales at £1,651,800 represented an increase of 29 per cent. The profit rate increased to a greater extent despite considerable increases in costs being absorbed. This was the result not only of the higher production but also reflected the economy afforded by improved methods and efficiency planned and built in during the past two years.

Meeting, Nottingham, November 18 at noon.

## Hamilton Leasing growth

Pre-tax profit of Hamilton Leasing rose 41 per cent. from £339,514 to £480,256 (compared with the forecast of £475,000) in the year to May 31, 1971, and chairman Mr. David M. Young forecasts an increase of "a similar proportion" for the current 12 months.

Turnover expanded by some £2.2m. to £8.66m. It comprised—receivable under leasing contracts entered into during year £8,229,665 (£6,173,143), short-term rentals receivable £199,714 (£136,101), secondary period rentals £72,604 (£48,795), and sales and maintenance of vending machines £153,822 (£70,292).

Following agreement on the assessment of corporation tax, the provision of £49,120 made for the year 1969-70 has been released to profit. As a result, the net profit was lifted from £290,394 to £529,376.

A proposed final dividend of 7 per cent. gives a total of 12 per cent., against nil. A one-for-five scrip issue is also proposed.

Mr. Young recalls his reference a year ago to the strengthening of the marketing division and the expansion of the branch office structure and says the results may be judged by the purchases of leased assets at cost, which increased in the year by 33 per cent. compared with 1970.

Furthermore, it confirms his confidence in future growth, as this rate of expansion has been carried forward into the current year "and this at a time of virtual stagnation of the economy."

He reports that further reductions in interest rates in April and September, 1971, have now fully restored margins.

The year-end group balance-sheet shows rentals due after May 31, 1971, at £13,624,540 (£10,380,991) less rentals unearned and £63,326 (£50,426) provision for doubtful debts £10,921,526 (£8,386,206), leaving £2,703,014 (£1,994,785).

Hamilton is a private company, the largest shareholder being Industrial and Commercial Finance Corporation. Its annual report is produced in much greater detail than the majority of private companies, with the intention of providing maximum information in convenient form about the company and its operations, especially for the benefit of financial institutions who may provide finance for the business.

## Property Investment

THE Board of Property Investment and Finance confirms the September estimate of net profits for the year to March 31, 1972, of not less than £300,000, against £261,509 in 1970-71.

Consolidated earnings on Ordinary shares for the six months to September 30, 1971, were £142,000 against £118,000 in the corresponding period last year, equal to 3.5 per cent. (2.9 per cent.).

Group net assets, including investments at valuation were £6,375,000 (£5,122,000 at March 31, 1971) and net asset value per £1 share 157p (128p).

## Alpine Double Glazing sales record

Double glazing installations by Alpine Double Glazing (Sales) broke through the £1m. barrier in the six months to July 31, 1971. At £1,004,000 they represent an increase of 30 per cent. on the corresponding period of 1970.

Alpine is a member of the Alpine-Everest Group of Companies which plans a stock market "quote" next year. Samuel Montagu and Co. was appointed in August to act as the group's merchant bankers.

Mr. J. Clisby, managing director of Alpine, reports that if growth is maintained at its present level the installation target of over £2m. will be "comfortably achieved" in the current year. For the year ended January 31, 1971, double glazing installations amounted to £1.6m.

With the Group's expansion in other home improvement fields Alpine's contribution should take the current year's total sales well over £4m. (£2.5m.) Last year the group returned a pre-tax profit of £280,000.

Mr. Clisby said yesterday the company was now planning a major sales drive in the North of England to be followed by entry into Scotland.

## Fore Street Investments property sale

Fore Street Investments is to sell three properties for a cash consideration of £450,000—book value is £390,000.

The net rental income, less outgoings, from these properties in 1970 amounted to £40,000.

Proceeds will be applied in reduction of bank borrowings and to meet existing mortgage commitments.

## Central Manufacturing to pay 7½% more

A FINAL dividend of 15 per cent. by The Central Manufacturing and Trading Group lifts the total from the equivalent of 17½ to 25 per cent. for the year July 31, 1971.

Despite the generally difficult trading conditions, group pre-tax profit increased from £1,132,185 to a record £1,504,584 which is considered by the directors as being satisfactory. Turnover expanded from £10.83m. to £19.09m.

When reporting first-half profit up from £429,678 to £731,503, they said they felt confident that the year should be another successful one and that there would be an increased return arising in the long term from the capital expansion programme being undertaken.

| | 1970-71 £ | 1969-70 £ |
|---|---|---|
| External turnover | 19,085,000 | 10,829,000 |
| Trading profit | 1,665,148 | 1,226,047 |
| Interest charges | 160,564 | 93,862 |
| Profit before tax | 1,504,584 | 1,132,185 |
| Taxation* | 499,422 | 510,271 |
| Net profit | 1,005,162 | 621,914 |
| Outside Pref. divs. | 3,464 | 1,193 |
| Available | 1,001,698 | 620,721 |
| Dividend | 451,740 | 289,858 |
| Profit for the year retained | 549,958 | 330,863 |

* After surplus provision of previous years £59,869 arising from change in rate.

A breakdown of sales and trading profit shows asbestos, rubber, plastics and services £5,296,000 and £650,916; steel stockholding and metal processing £10,056,000 and £666,388; tubes, fittings and fabrications £961,000 and £199,448; drop forgings and castings £772,000 and £47,419; nuts, bolts, screws and rivets £846,000 and £59,965; and light engineering, pressing and toys £1,152,000 and £67,012 after a terminal loss on closure of £26,710.

Meeting, Dudley, January 21, noon.

See Lex

## Setback for Wm. Uttley—

A fall in pre-tax profits from £55,206 to £29,894 is reported by cotton and rayon cloth manufacturers, William Uttley, for the half year ended July 31, 1971.

An interim dividend maintained at 4½ per cent. is declared. The previous total was 10 per cent., paid on profit of £95,858.

| | Half-year 1970-71 £ | 1969-70 £ |
|---|---|---|
| Turnover | 1,221,612 | 1,180,302 |
| Trading profit | 50,261 | 69,970 |
| Depreciation | 20,367 | 14,764 |
| Profit | 29,894 | 55,206 |
| Tax | 6,200 | 19,500 |
| Net profit | 23,694 | 35,706 |

Tax charge has been reduced by first year allowance on new machinery and by utilising previous tax losses of branches.

The Board states that the first half has been "extremely difficult." In the weaving section, margins have been eroded by highly increased running costs and "fierce competition." To counteract this erosion, machinery has been kept running and production figures show an increase over the similar period last year.

In the shirting section, Lancashire looms are being replaced with automatic machinery to increase productivity and remain competitive. Plant has been increased in the knitting section.

Figures to date show that the second half is progressing along lines similar to the first half. There is no indication of any improvement in trading conditions during the next few months, the Board states.

### WINDING-UP ORDERS

Mr. Justice Plowman in the Chancery Division yesterday made orders for the compulsory winding-up of the following companies: Allen and Simmonds (Longham), Clearstreet Properties, Lightline Engineering, Bestvall Exports and Imports, Caribbean United Nationals Association, Quest Engineering Co., Unique Travel and Personal Imports, Catalyst Products (Leisure) and Qarol Investments.

Spaul, S. W. Builders, Circle Films, Fleming-Eason, J. E. Frost and Co., Hericon Finance, Club Cubana, Roy Dixon of Croydon (Transport), Exspantion Record Stores, Elliott's Container Service and Brabazon Builders.

## COMPANY NEWS IN BRIEF

ASTRA SECURITIES—Results year to April 30, 1971, reported October 1. Group fixed assets £370,767 (£34,785). Investment in associated company £211,525 (nil). Net current assets £542,557 (£235,312) and net assets £1,025,607 (£271,387). Extraordinary items include £7,155 compensation for loss of office and exceptional redundancy payments. Meeting, Edgbaston, November 11, at 3 p.m.

ISA BHEEL TEA COMPANY—Results 1970 reported October 15. Fixed assets £123,659 (£120,029). Current assets £105,958 (£56,304) and liabilities £61,732 (£64,511). Crop at September 30 315,000 (356,200) kilograms due to early drought and no likelihood of shortfall being made up by end of season. Average price so far obtained is marginally better. Meeting, 37, Mincing Lane, E.C., November 17, noon.

KUALA REMAN RUBBER ESTATES—Dividend 15 per cent. (30 per cent.) for year to July 31, 1971. Net profit £30,790 (£50,194) after tax £9,000 (£17,500). Meeting, 95, London Wall, E.C., December 8.

LONGAI VALLEY TEA COMPANY—Results 1970 reported October 15. Fixed assets £78,903 (£81,861). Current assets £104,679 (£103,796) and liabilities £50,359 (£59,780). Current season opened badly with spring drought. Crop manufactured at September 30 was 445,000 (529,700) kilos. Average price for teas sold so far is Rs 0.34 a kilo higher than a year ago. Meeting, 37, Mincing Lane, E.C., November 17 at 12.15 p.m.

MACALLAN-GLENLIVET (whisky distillers)—Results year to July 31, 1971, reported October 1 with directors' views on prospects. Fixed assets £770,107 (£787,723). Net current assets £518,393 (£429,473). Meeting, Craigellachie (Banffshire), November 19, 11.30 a.m.

A. AND H. MELTZER (HOLDINGS) (ladies' fashion footwear)—Trading profit for first six months June 30 was £9,100 (£7,700). Directors say large proportion of sales are made to leading mail order companies and protracted postal strike adversely affected results for period. In current half-year factory has been at full production and it is anticipated that this will continue for remainder of year.

TATE OF LEEDS (Ford main dealer, J.C.B. main dealer)—Profit half-year to June 30, 1971, £26,778. 11 months to December 31, £53,649. Tax £10,711 (£205,126), leaving £16,067 (£23,523). First half figures of 1971 greatly influenced by prolonged Ford strike which left company very short of both vehicles and spare parts during peak selling months. Figures for third quarter show improving trend and in particular sales of earth moving equipment are being well maintained. Very welcome Government relaxation of financial restrictions is helping substantially to improve all sections of business and Board feels there is reason to view future with some optimism.

APPOINTMENTS

# Lucas executive post for Mr. M. W. Kendall

M. W. Kendall, a member of executive Board of JOSEPH LUCAS LIMITED, has been appointed as vice-chairman—commercial. He will have group-wide policy duties, together with particular responsibilities at home for the co-ordination of Common Market and U.K. operations.

He has also become a chairman of ... and has been succeeded as general manager of that company by Mr. G. R. Packer. The parent concern is Joseph Lucas (Industries).

*

Mr. W. R. Perrin has relinquished his position as secretary of MILLS & PACKHAM (Erith Co.), following his appointment to the Board. He has been succeeded by Miss M. Dalby.

*

Mr. Frederick W. Deming has been appointed chief economist and vice-president of CHEMICAL ...

*

Mr. J. T. Davis, at present general works manager, has been appointed an executive director of ... IN SAD ALLWIN.

*

M. Jacques H. J. J. Eloy has been appointed president director-General of SOCIETE DE ... GE ET DES ASPHALTES ... PARIS ET L'ASPHALTE, the Tarmac Group subsidiary in France.

Mr. M. W. Kendall

*

Mr. Derek Blackburn has been appointed deputy chairman of NORMAN FRIZZELL U.K. from November 1.

*

Mr. E. J. Guthrie, a general manager and manager for the U.K. of ROYAL INSURANCE, is retiring from the group on December 31 after 45 years' service. From January 1, Mr. W. H. Brindle becomes general manager for the U.K. and Mr. J. Williamson and Mr. I. L. Rushton deputy general managers for the U.K.

*

Mr. Sidney Rosen, a director of Securities Agency, has joined the Board of LONDON AND OVERSEAS PROPERTY AND INVESTMENT COMPANY.

*

Mr. H. C. Burrows has been appointed works director of ROBERT R. STOCKFIS (MANCHESTER).

*

Mr. R. G. Brett has been appointed as assistant group managing director of MACE RAINBOW AND STONE.

*

Following the success of the offer by the Land Securities Investment Trust to acquire the capital of the WESTMINSTER TRUST HOLDINGS, the Board of the latter concern has been reconstituted.

Mr. L. Freedman is chairman, and Mr. F. P. W. Maynard, Mr. C. H. Behrens, Mr. K. D. M. Chapple and Mr. W. Mathieson become directors.

Mr. Walter H. Salomon, the Earl of Dartmouth, Mr. A. C. Guthrie and Mr. C. G. Morley have resigned from the Board.

## Poland eases German border rules

WARSAW, Oct. 25.

POLAND and East Germany agreed on an open border and greater convertibility of currency for citizens of the two countries, Government sources said to-day. Probably from the beginning of the New Year, they said, Poles and East Germans would be able to cross the border at any time without passports or other formalities.

Citizens of the two countries would be required only to produce their police identification cards to prove their nationality. At the same time, the sources said, the limit on the amount of convertible currency would be raised. At present Poles travelling to East Germany can change up to 7,000 zloties (£122) into East German marks.

The agreement makes East Germany by far the most accessible foreign country for Poles to visit. At present, travellers to East Germany or any other East European country must obtain a supplement to their passports which normally takes about three weeks to get. If successful, the plan could extend to other East European countries.

## Judge upholds cattle brand patent claim

OPPOSITION to the decision of a superintendent examiner at the Patent Office that an application for a patent for freeze-branding of cattle could succeed, subject to suitable amendment, was dismissed by Mr. Justice Whitford, sitting as a Patent Appeal Tribunal, yesterday.

The opponents—the Hampshire Cattle Breeders' Society, British Oxygen, and the Milk Marketing Board—contended that any amendment should not be allowed because the application, by the Research Corporation of New York, came after publication of a scientific paper dealing with skin pigmentation changes by freezing with carbon dioxide.

The judge said that although the paper had been published before the patent application it could not be expected it would become so widely known as to invalidate an application. In fact, the Milk Marketing Board ran a competition offering £500 for a new method of marking cows after the publication of the paper, and no award was made because no suitable method was submitted.

The judge said the opponents would each pay £50 towards the cost of the appeal.

## Wimpey at risk during £¼m. fire—judge

GEORGE WIMPEY and Co., the contractors, had nearly finished a £680,000 extension to a Hartlepool factory when fire caused £250,000 damage to it, a High Court judge said yesterday.

Mr. Justice Mocatta held that Wimpey, which was insured, was still at risk when the fire occurred on January 18, 1970.

He granted the factory owner, English Industrial Estates Corporation, of Gateshead, the declaration it sought that the risk of fire damage still lay with Wimpey at the time and had not passed back to the corporation.

The judge said the work carried out under the contract by Wimpey was "far advanced" in all sections when the fire occurred, but none was wholly finished.

The contract had called for the contractor to insure against fire for the full value until "practical completion" of the works.

## NEW POST FOR DAME ELIZABETH

Dame Elizabeth Ackroyd has accepted an invitation to become president of the Patients Association. She is director of the National Innovations Centre, and was formerly director of the Consumer Council.

SPORT: TENNIS

# Deceptive fast court topples Embassy seeds

BY JOHN BARRETT

THE EMBASSY Championships at Wembley, the last of the great open events in Britain before the ILTF ban falls on all contract professionals on January 1 got off to a spectacular start yesterday afternoon—but the sort of start that brought frowns rather than smiles to worried committee faces.

Within the space of two hours three of the men's seeds had disappeared, chopped down by less fancied opponents on the lightning fast carpet courts before they had had time to acclimatise to the excessive pace after the leisured bounce of Uni-turf and Continental clay.

Marty Riessen, the seventh seeded American professional was the first to fall—a surprise since his conqueror was the wily, balding South African Bob Hewitt whose own expertise generally flourishes on slow courts.

### Majestic

His winning margin was 9—8, 6—4 achieved through steadier nerves in the first set tie-break and two breaks of service against one in the second set.

Then the tall, majestic figure of U.S. Army private Stan Smith, the U.S. Open champion, Wimbledon finalist, winner of last year's Pepsi Masters Tournament, and second seed here, lost his way against the sizzling returns of the Australian professional Ray Ruffels, who measured him 9—8, 6—4—an unhappy repetition of the previous upset.

Finally to the most surprising upset of the three, the defeat of the fourth seed Ken Rosewall 6—4, 6—2 by the South African two-handed doubles expert Frew McMillan.

Rosewall, so often a hero in this arena, where in professional events he has nine times been in the final with five singles titles to his name since his first appearance in 1957, fell at the first hurdle for the first time in a glorious career and never once timed the ball with any assurance.

This year he has taken to using an aluminium framed racket and, like Laver before him, he appears to have difficulties with his normally so consistent ground strokes.

In the first set he lost the vital fifth game on his service to fall 2—3 behind. This was perhaps hardly surprising since he had come from the clay of Barcelona without any practice but one felt that within a few games his touch would come.

In the eighth game he actually holed a break point on McMillan's service that would have given him four all and a calmer outlook. But in a trice the point had come and gone and he was 5—3 behind.

With the set under his belt McMillan's confidence grew visibly. Perhaps he can count himself fortunate to have been asked to qualify for the matches on Saturday and Sunday at least gave him the feeling for the bounce.

Ken Rosewall

Rosewall's anguish was apparent at once at the beginning of the second set for he projected four consecutive double-faults to lose his service in the opening game—though the court was not responsible for that.

It was the total lack of touch and feel for the ball that produced such anguish.

Again in the seventh game two double-faults left him trailing 2—5 and it was no surprise that McMillan won his own service to love for the match.

Afterwards Rosewall admitted that the pace was altogether too much for him. He agreed he had played reasonably well on the same surface last year but then he had arrived in time for practice.

There is bound to be some sort of inquest on the use of these carpets but, in truth, the only real problem is one of acclimatisation.

During the course of a season players are continually having to change surfaces—none of which is more difficult than that to the fast grass of Wimbledon in mid-June.

Then, however, any player aspiring to the later rounds of the championships takes care to play a grass court tournament beforehand or at the very least to arrive four or five days early to get the necessary practice.

In this context, with the international calendar becoming ever more crowded there is simply not time for such practice.

So for the future it would be wise for the sponsors and promoters of events placed close to one another in the calendar to agree on a uniform surface for all their events—be it fast or slow.

### Mighty

The discomfort of the fancied players convinced me more than ever that Rod Laver the third seed's hands would be full against the mighty service blows of Roger Taylor when they met in their first round match later yesterday evening.

Mark Cox, Britain's only other singles representative following the defeat on Sunday of Gerald Battrick by the American Davis Cup player Tom Gorman has had his first-round match against Jugoslavia's Zeljko Franulovic postponed until to-day.

# Lotus to power the Jensen-Healey

BY MICHAEL CASSELL

THREE of the most famous names associated with high-performance motoring will be brought together next spring with the first appearance of the two-seater Jensen-Healey sports car powered by a Lotus engine.

An announcement yesterday brought to an end months of speculation concerning the choice of engine for the new vehicle. At one time it was thought a foreign power unit would be used and it is understood that plans for a link-up with BMW were thwarted because of capacity problems. The new model has been designed by the Jensen chairman, Mr. Donald Healey, and will be aimed at filling the market gap left by the disappearance of the Austin Healey 3000.

The car is to be called, quite simply, the Jensen-Healey, and production is scheduled to begin next April at Jensen's expanded West Bromwich factory. The vehicle will sell in this country for under £2,000 but is primarily seen as a model for overseas markets. When output eventually reaches the projected 10,000 a year, over 60 per cent. will be marketed in the U.S.

Yesterday's announcement said Jensen and Lotus had signed a long-term contract for Lotus to supply a light-alloy, four-cylinder, two-litre engine for the model. The four-valve, twin-cam unit is die-cast and designed to develop 140 bhp with 150 lbs ft. torque and a top speed in the region of 120 mph.

The result of three years' development work, including a long-distance racing programme, the engine will be fully machined, assembled and tested by Lotus in a new, numerically controlled plant at its Norfolk factory.

Mr. Colin Chapman, chairman and chief executive of Group Lotus, also gave an indication of his own company's future model development when he commented on the latest agreement. "The two-litre engine represents an addition to the Lotus engine range and will be introduced in a new, full four-seater addition to the Lotus car range late in 1972. It will not replace the power unit in any of the current models manufactured by us."

### "Great carrot"

● An all-time record in British car sales, production and exports is forecast for 1971 by Mr. John Beswick, director of the Society of Motor Manufacturers and Traders.

He predicts an even brighter future if Britain faces the challenge presented by Common Market entry.

"The promise of a 'home' market five times larger than the present U.K. market is a great carrot to hold before any manufacturer," says Mr. Beswick in an article in Canada-U.K. Trade News.

# Japanese join Nigerians in oil search

BY JOHN TRAFFORD

THE Nigerian Government has given approval for a joint venture between the country's State-owned National Oil Corporation and three Japanese oil companies to develop a new offshore concession area.

Teijin, Teikoku Oil and Mitsui Oil Development have been negotiating with Nigerian Oil to set up the venture since last month when they acquired concessions from the Nigerian Government for exploration in a 1,879-square kilometre offshore area. The three companies are transferring a 51 per cent. interest in their joint Japan Petroleum Company (Nigeria) to the Nigerian State concern. Prospecting is expected to start this year.

National Oil was set up last April to gain a share in the oil exploration and production activities carried out in the country. It has already acquired interests in the operations of Phillips Petroleum, AGIP and the French Safrap company.

● Two American oil companies, Esso and Gulf, are being permitted to form joint ventures with Japanese interests in Okinawa, according to a Tokyo daily newspaper.

Esso plans to form a joint company with Sumitomo Chemical and General Sekiyu, while Gulf hopes to establish a company with Toho and Mitsubishi Chemical Industries.

### Condition

Approval from the Japanese Ministry of International Trade and Industry was conditional on the new companies shipping not more than 20,000 to 30,000 barrels a day to Japan. MITI also agreed to Esso owning 50 per cent. of its joint venture with its partners having 25 per cent. each; Gulf and Toho are expected to own 45 per cent. each of the other company with the 10 per cent. balance held by Mitsubishi Chemical.

Japan has not yet liberalised foreign investment in the oil industry.

# Manchester Liners' pact with Air Canada

BY OUR OWN CORRESPONDENT

MANCHESTER, Oct. 25.

MANCHESTER LINERS—which has operated a specialised rapid freight service since 1969 by using a combination of sea and air transit—to-day signed an inter-line agreement for promoting the service with Air Canada.

It is claimed to be the first time an internationally-known container shipping line has joined forces with a major world airline in a service of this kind.

Mr. John Eden, Air Canada cargo sales and service director, said the air and shipping activities of the two groups were "not competitive but complementary." The bulk of cargo—at least 90 per cent.—on the Atlantic still crossed by sea.

Mr. Tony Roberts, managing director of Manchester Liners, stated that both companies recognised there was a new market to be developed. The air-sea combination offered an "in between" service as between all-sea and all-air freighting and there was "fantastic scope" for its development.

Under the trade name "Flying Fish," Manchester Liners has been operating the service basically between its container terminals at Manchester and Montreal. At both trans-shipment points it has had the advantage of being able to use relatively uncongested airports for forward or inward air transit. The new joint agreement covers all aspects of the service, including marketing policy and operational methods.

# Staff body 'progress' at General Accident

BY ROY ROGERS, LABOUR STAFF

DESPITE claims by the Association of Scientific, Technical and Managerial Staffs that some 850 General Accident staff have joined its ranks in the past few weeks, the newly formed General Accident Staff Association claims to have got "well off the ground."

Mr. R. G. Dow, secretary of the GA national staff committee, said yesterday he was very pleased with the progress of the new association. Many applications had come in from all parts of the country, but he was loath to put a figure to them as ha wanted to "keep ASTMS guessing."

## Elections started

Branches were currently electing their members for the nine new committees, who would then nominate representatives to the national executive.

Following this procedure, which is expected to take about a month, the staff association intends to register under the Industrial Relations Act. It is being set up, with tha blessing of the management, to conform to the requirements of the Act, and is designed to replace the existing staff committees which are unacceptable under the new legislation because they are employer-dominated.

Managemant denies that it is hostile towards ASTMS, which now claims more than one third of General Accident's 9,000 staff, but claims it will not negotiete with ASTMS until it has a majority of staff in membership.

Mr. Dow accepted that ASTMS might well have recruited 850 new members at General Accident recently, but believed this was due to a misunderstanding by staff in some areas who thought the new proposals were being "bulldozed through" without consultation. In fact, only draft pcoposals had been drawn up, the final decisions being left to the national officials once they ara elected, be added.

The ASTMS-staff associations battle is continued in the latest issue of Industrial Relations Review and Report which includes the conflicting views of Mr. John B. Smith, geoeral secretary of the Commercial Union staff association, and Mr. Maurice Reynolds, national secretary of the insurance staffs' section of ASTMS.

Mr. Smith claims that the staff associations "conscious that their existence was threatened" have met tha challenge from ASTMS with determination and there were growing signs that the two insurance trophies of "Prudential" end 'Royal" might well be the "total bag in what was once seen to be a potentially happy bunting ground."

Not only had the idea of an external union been met with an overwhelming thumbs-down from the staff of sucb companies as Commercial Union, Sun Alliance and London, Guardian Royal Exchange and Eagle Star, but etaff associations had also finally realised that collecting bargaining was necessary.

Mr. Reynolds points out that some 40,000 staff from 16 large insurance companies had already accepted ASTMS an dstaff were demanding independent trada unions to represent them, he added.

## Report quoted

ASTMS has 20 full-time officers to service its insurance staff and these were "not only independent but seen to be independent," he added, quoting from e recent Commission on Industrial Relations report on Commercial Union.

It was only a matter of time before insurance became as highly unionised as the Civil Service nr local govarnment, and managements could either welcome the help ASTMS offered and prosper in the process or resist the forces of change and harm both themselves and the country, he said.

# Scottish miners to campaign for strike

By Andrew Hargrave

EDINBURGH, Oct. 25.

SCOTTISH miners' leaders are to carry ont a pithead campaign in the next few weeks to persuade Scotland's 30,000 miners to back a nationwide strike in support of the union's pay claim.

"We'll ba carrying the fight right into the localities to ensure that the National Coal Board comes back with a much improved offer," said Mr. Michael McGahey, president of the Scottish area of the National Union of Mineworkers, bere to-day.

He was speaking after a Scottish delegate conference which unanimously endorsed last week's national conference decision to bold a strika ballot towards the end of next month as well as stopping overtime from next Monday. The Scottish area will also withdraw from the joint consultative machinery.

## Parity deal

The union demands rises ranging from £5 a week to £9 a week as against the Board's offer of £1.80 a week rise for surface workers and £1.75 a week for underground and other workers.

A complicating factor in Scotlend is tha early implementation of a long-standing parity agreement which will give face workers an extra £2.78 a week to bring them up to the East Midlands level of £30 a week. This is over and above any national pay rise.

Mr. McGahey warned, bowever, that the parity increase "will in no way buy the parity workers out of their struggle. They will demonstrate their unity in voting for a strike," be added.

There are about 7,000 face workers in Scotland. Voting in the area will take place on November 26-26 and the rasult is expected to be known on December 1. "There could well be a strike over Christmas," said Mr. McGahey.

In the last strike ballot a year ago, which failed to produce the required two-thirds majority, the Scottish area voted 78 per cent. in favour. Subsequently, the majority of Scottish pits took part in the abortive unofficial strike.

"A similar decision was taken by South Wales miners' delegates in Porthcawl. Mr. Glyn Williams, the South Wales area president, said it was a unanimous decision to support the national executive.

South Wales delegates were angry at tha Board's pay offer which fell far short of the union's claim for a 35 per cent. increase all round, he added.

# Views sought pensions plan

BY MICHAEL BLANDEN

EMPLOYERS, unions and pension organisations have been invited to give their views to the Government on the new policy for pensions outlined last month by Sir Keith Joseph, Secretary for Social Services. Sir Keith announced yesterday that a memorandum on the pensions White Paper had been sent to the main representative organisations involved. The memorandum discusses details of the proposed changes as they affect private pension schemes, and invites comments at the latest by the end of January.

Last month's White Paper set out pcoposals designed to encourage the development of private pension arrangements. Under the Government's new deal, every working individual would have two pension pcovisions. The Stata would offer a basic flat rate pension, with protection against inflation. The private sector would be the main source of pensiona releted to the individual's earnings, though the Stota would set up a reserve scheme, of substantial pcoportions, to cope with the people who would not be included in private schemes.

The memorandum examines in more detail two of the mojor aspects of the White Paper proposals. It considers the rules pcoposed under which private occupational pension schemes would be "recognised"; and it examines the proposals for the preservation of pension rights on a change of employment.

The memorandum points out that "the enlarged role which occupational schemes will be called upon to play in the new arrangements makes it essential to ensure certain mini[...] dards of provision for [...] who are exempted [...] reserve scheme."

It adds: "The conditi[...] a scheme must satisfy [...] to secure recognition h[...] framed with four main [...] mind; to provide a[...] prescribed level of pen[...] sion; to provide a[...] prescribed level of w[...] cover; to take account [...] effect of rising prices in [...] the buying powar of t[...] mum pensions once in [...] and to ansure that the[...] are properly secured."

Tne new paper discusse[...] aspects of the detail of [...] posals, and specifically [...] comments on a number o[...] both on the conditions [...] which occupatiooal scher[...] be working and on th[...] sitional arrangements [...] followed in setting up t[...] system. It also asks for co[...] on aspects of the function [...] proposed Occupational [...] Board which, it is point[...] would in order to ensure a[...] security of private pens[...] given "wider powers of [...] vision than are exercised [...] Registrar of Non-Parti[...] Employments under the [...] contracting-out arrangeme[...]

The memorandum also [...] slightly more ambitious g[...] the White Paper propos[...] pension preservation whe[...] is done by a transfer of [...] rights to the employee [...] scheme. It is suggested [...] this situation total service [...] be aggregated to provid[...] tection for the employee c[...] jobs in under the five-yea[...] pcoposed for pension prese[...]

# Engineers' union seeks to raise subscriptions

BY OUR LABOUR REPORTER

THE ENGINEERS' UNION, already owed £1.5m. in unpaid union dues, wants ot increase tbe weekly subscriptions from members.

Last January, the wekely dues were raised 5p to 20p a week for full members, and the new increases, which will be put to a rules revision conference next month, will raise the subscription a further 5p to 25p a week.

The engineering section conference will also be asked to approve further rule changes to allow it not to be registered under the Industrial Relations Act. The otber three sect[...] the Amalgamated Unic[...] Engineering Workers ar[...] taking steps to come off t[...] register of trade unions.

The proposed rule c[...] affect only the engineerin[...] tion, and one is aimed at p[...] ing the section's £16m. [...] from unlimited fines if it [...] taken to court for an unfair [...] trial practice under the new [...] lation.

This will create a pr[...] fund which could not be us[...] paying strike benefits or [...] imposed on the union.

# Stevedores angry at plan to pay rejected increase

BY ALEX HENDRY, LABOUR REPORTER

DOCK union leaders said last night they were taking action against tha employers' decision to pay wage increases to their London members this week.

The row stems from the decision of the Transport and General Workers' Union to accept a £2.25 two-stage wage increase for its members in the London enclosed docks.

The National Amalgamated Stevedores and Dockers, the smaller of the two unions, has rejected tbe offer. But this week its members will get the pay increases, backdated to September.

The executive of the NACD met yesterday to discuss the employers' decision and plan what action to take. This is being kept confidential until the members bave been advised.

But last night Mr. Joe Payne, chairman of tha London Ocean Trades Association, said: "We are not trying to force the settleon NASD members. On rdifficulty is that we do not know which men belong to which union. We promised the TGWU that the increases would be paid this week. We feel we have to keep that promise."

As a result, all the pay packets for the 10,500 dockers will contain a letter suggesting that those who belong to the NASD can advise their employers that they do not want the increase and an adjustment can be made in the wage packets the following week.

## Tally clerks

A second row, over tally clerks in tha Port of London, moved nearer a settlement yesteray after a meeting between the employrs and the two unions.

The tally clerks brought the port almost to a standstill on Monday last week by a one-day strike. This was to protest against a decision that 20 clerks sbould be returned to the unattached register..

It has now been agreed that 150 clerks throughoot the port can apply for voluntary severance which will give payments of up to £1,800. The employers will meet to-morrow to decide if they can accept the unions' demand that no further applications are mada to the Dock Labour Board to return men to the unattached register until the offer of voluntary severance has been put to all the clerks.

# Strikers' family benefit cuts

By Alex Hendry, Labour Reporter

THE GOVERNMENT'S new rules to cut back the amount of Social Security Benefit paid to strikers' families will come into effect next week.

It maans that tha amount of tax rebate that is not taken into account when calculating the benefit thet is to be paid is reduced from £4.85 to a maximum of £1.

The effect of this is best shown by using the exampla of the Ford strika earlier this year. Had the provision been in force then the amount of benefit paid out then would have been reduced by two-thirds.

A further provision beiog introduced next week is that when the men return to work after a strike any advance on wages that is paid by the employer will be taken into account in deciding what benefit should be paid.

The Department of Health and Social Security said yesterday that this does not represent a change in the preseot practice or policy.

The new legislation also will mean that those who are unemployed because they left their job voluntarily, were dismissed for misconduct or refused "without good cause" to take a suitable job offered totham and do not qualify for unemployment pay will have tbeir social security benefit reduced by £2.30 instead of 75p as at present.

The legislation has been severely criticised by the TUC and the Parliamentary Labour Party. Mr. Vic Feather, eeneral secretary of the TUC, called the chanres a mean attack on families.

He said it would hit the families of strikers and would cause severe hardsbip.

## CHRYSLER CHIEF PREDICTS GOOD YEAR

A "relatively good year" was predicted for the Chrysler car plant at Linwood, Glasgow, yesterday inspite of losing 13,000 cars valued at £600,000 since June because of the enforced four-day week.

Managing director Mr. Gilbert Hunt said he expected a very busy two years, and added he was convinced Linwood was now a very good plant.

# World Value of the Pound

The table below gives the latest available rates of exchange for the pound against various currencies on October 25, 1971. In view of the unsettled state of the foreign exchanga market, rates for some currencies are not given. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be selling rates only. In some cases market rates have been calculated from the market rates of foreign currencies to which they are tied.

Exchanges in the U.K. and most of [...] countries listed are officially controlled and [...] rates shown should not be taken as be[...] applicable to any particular transaction w[...] out reference to an authorised dealer.

Abbreviations: (S) member of the sterli[...] area; (O) official rate; (F) free rate; [...] tourist rate; (n/c) non-commercial rate; (n[...] not available; (A) approximate rate, no dir[...] quotation available; (sg) selling rate; (i/[...] import-export rate.

| Place and Local Unit(s) | | Value of £ Sterling |
|---|---|---|
| Afars & Issas | Djibouti Franc | 522(sg.) |
| Afghan'tan | Afghani | 210♣ |
| Albania | Lek | 12(O) |
| | | 30(T) |
| Algeria | Dinar | 12.18(sg) |
| Andorra | French Franc | 15.76 |
| | Spanish Peseta | 170.87½ |
| Angola | Ang. Escudo | 68.48 |
| Antigua (S) | E. Caribbean $ | 4.80 |
| Argentina | Ar. Peso | 12.45♣ |
| Australia (S) | Australian $ | 2.1471½ |
| Austria | Schilling | 60.37½ |
| Azores | Portug. Escudo | 68.45 |
| Bahamas (S) | Ba Dollar | 2.49 3/16 |
| Bahrein (S) | Dinar | 1.1445 |
| Balearic Is. | Spa. Peseta | 170.97½ |
| Barbados (S) | E. Caribbean $ | 4.80 |
| Belgium | B. Franc | 116.58 |
| Bermuda (S) | Bda. $ ¶¶ | 2.4 |
| Bhutan | Indian Rupee | 5.55½‡ |
| Bolivia | Bolivian Peso | 29.45 |
| Botswana (S) | S.A. Rand | 1.7762 |
| Brazil | Cruzeiro | 13.59 |
| Br. Hond's (S) | Br. Hdrs. $ | 4.5 |
| Br. Solmn Is (S) | Australian $ | 2.1471½ |
| Br. Virgin Is (S) | U.S. $ | 2.49 3/16 |
| ♦♦Brunei (S) | Brunei $ | 7.5795 |
| Bulgaria | Lev | 2.81(O) |
| | | 4.8(T) |
| Burma | Kyat | 5.80♣♣ |
| Burundi | Burundi Franc | 204.49(O) |
| | | 305(F) |
| Cambodia | Riel | 136.36 |
| Cameroun Rp | C.F.A. Franc | 688 |
| Canada | Canadian $ | 2.49 |
| Canary Is. | Spanish Peseta | 170.97½ |
| Cape Verde Is. | Cape V. Escudo | 68.45 |
| Cent. Af. Rp. | C.F.A. Franc | 688 |
| Ceylon (a) | Ceylon Rupee | 14.255♦♦ |
| Chad | C.F.A. Franc | 688 |
| Chile | C. Escudo | (i/e) n.a. |
| | | 109.29 T$$ |
| China | Yuan | 5.909 |
| Colombia | C. Peso | 50.25(P)ф |
| Comoro Isl'ds | C.F.A. Franc | 688 |
| Congo (B'lle) | C.F.A. Franc | 688 |
| Congo (Kinsa) | Zaire | 1.1645 |
| Costa Rica | Colon | n.a. |
| Cuba | Cuban Peso | 2.49 3/16 |
| Cyprus (S) | Cyprus £ | 1.0 |
| Czechoslov'ka | Koruna | 17.29(O)† |
| | | 38.745(T) |
| Dahomey | C.F.A. Franc | 688 |
| Denmark | Danish Krone | 19.09½ |
| Dominica (S) | E. Caribbean $ | 4.80 |
| Domin. Rep. | Dominican Peso | 2.49 3/16 |
| Ecuador | Sucre | (10) n.a. ¶¶ |
| | | 69(P) |
| Egypt | Egyptian £ | n.a. |
| Ethiopia | Ethiopian $ | 5.90(sg.) |
| Eq't'l Guinea | Peseta | 170.97½ |
| Falkland Is. (S) | Falkland Is. £ | 1.0 |
| Faroe Is. | Danish Krone | 18.08½ |
| Fiji Is. (S) | Fiji $ | 2.094¼ |
| Finland | Markka | 10.36½ |
| Formosa | New Taiwan $ | n.a. |
| France | French Franc | 15.76 |
| Fr. C'tyin Afr | C.F.A. Franc | 688 |
| Fr. Guiana | Local Franc | 15.76 |
| Fr. Pac. Is. | C.F.P. Franc | 250.27 |
| Gabon | C.F.A. Franc | 686 |
| Gambia (S) | Dalasi Δ | 5.0 |
| Germany (East) | Ostmark | 16 |
| Germany (West) | Deutschemark | 8.30½ |
| Ghana (S) | Cedi | 2.45 |
| Gibraltar (S) | Gibraltar £ | 1.0 |
| Gilbert & Ellice Is. (S) | Aust. Dollar | 2.1471½ |

| Place and Local Unit(s) | | Value of £ Sterling |
|---|---|---|
| Greece | Drachma | 74.55 |
| Greenland | Danish Krone | 18.09½ |
| Grenada (S) | E. Caribbean $ | 4.80 |
| Guadaloupe | Local Franc | 15.76 |
| Guam | U.S. $ | 2.49 3/16 |
| Guatemala | Quetzal | 2.49 3/16 |
| Guinea | Guinea Franc | n.a. |
| Guyana | Guyanan $ | 4.80 |
| Haiti | Gourde | 12.45 5/8 |
| Honduras Rep | Lempira | 4.98⅛ |
| Hong Kong (S) | H.K.$ | 14.572♥♥ |
| Hungary | Forint | 28.18(O) |
| | | 72(T) |
| Iceland (S) | I. Krona | 217.1 (A) |
| India (S) | Ind. Rupee | 5.55½$ |
| Indonesia | Rupiah | 1,033.1 |
| Iran | Rial | 189½ |
| Iraq | Iraq Dinar | 0.859 |
| Irish Rep. (S) | Irish £ | 1.00 |
| Israel | Israel £ | 10.41 |
| Italy | Lira | 1,526½ |
| Ivory Coast | C.F.A. Franc | 688 |
| Jamaica (S) | Jamaica Dollar | 2.0 |
| Japan | Yen | 821 |
| Jordan (S) | Jdn. Dinar | 0.857 |
| Kenya (S) | Ken Shilling | 17.9371 |
| Korea (Nth) | Won | 5.17 |
| Korea (Sth) | Won | 925.55 |
| Kuwait (S) | Kuwait Dinar | 0.85715 |
| Laos | Kip | n.a. |
| Lebanon | Lebanese £ | 7.88 |
| Lesotho (S) | S. Afn. Rand | 1.7762 |
| Liberia | Liberian $ | 2.49 3/16 |
| Libya (S) | Libyan dinar | 0.848 |
| Liecht'nst'n | Swiss Franc | 9.935¼ |
| Luxembourg | Lux. Franc | 116.50 |
| Macao | Pataca | n.a. |
| Madeira | Portug'se escudo | 68.45 |
| Malagasy Rp. | MG Franc | 688 |
| Malawi (S) | ●Kwacha | 2.5 |
| ♦♦Malaysia | Malaysian $ | 7.5787 |
| Maldive Is. (S) | Mal. Rupee | n.a. |
| Mali Rp. | Mali Franc | 1,376 |
| Malta (S) | Maltese £ | 0.9755 |
| Martinique | Local Franc | 15.76 |
| Mauritania | C.F.A. Franc | 688 |
| Mauritius (S) | Maur. Rupee | 13.33 |
| Mexico | Mexican Peso | 31.075 |
| Miquelon | C.F.A. Franc | 688 |
| Monaco | French Franc | 15.76 |
| Mongolia | Tugrik | 8.60(O) |
| | | 14.40(T) |
| Montserrat (S) | E. Caribbean | 4.80 |
| Morocco | Dirham | 12.48(Sg.) |
| Mozambique | Moz. Escudo | 68.45 |
| Muscat & Oman (S) | Rial Saidi | I |
| Nauru Is. | Aust. Dollar | 2.1471½ |
| Nepal | Nepalese Rupee | n.a. |
| Netherlands | Guilder | 8.36¼ |
| Neth. Ant'les | Antillian Guild. | 4.80 |
| New Guinea (S) | Aust. Dollar | 2.1471½ |
| New Hebrides | Franc | 219.79 |
| | Aust. Dollar | 2.1471½ |
| N. Zealand (S) | N.Z. Dollar | 2.1428½ |
| Nicaragua | Cordoba | 17.45 |
| Niger Rp. | C.F.A. Franc | 688 |
| Nigeria (S) | Nigerian £ | 0.85712 |
| Norway | Nrwg Krone | 17.08¾ |
| Pakistan (S) | Pkst. Rupee | 9.60♥ |
| Panama | Balboa | 2.49 3/16 |
| Panama Canal Zone | U.S. $ | 2.49 3/16 |
| Papua (S) | Aust. Dollar | 2.1471½ |

| Place and Local Unit(s) | | Value of £ Sterling |
|---|---|---|
| Paraguay | Guarani | [illegible] |
| People's Dem Rep. of Yemen | S. Yemen Dinar | [illegible] |
| Peru | Sol | [illegible] |
| Philippines | Ph Peso | [illegible] |
| Pitcairn Is. (S) | £ Sterling | [illegible] |
| | New Zealand $ | [illegible] |
| Poland | Zloty | ΔΔ[illegible] |
| Portugal | Pgse Escudo | [illegible] |
| Port Guinea | Guinea Escudo | [illegible] |
| Port Timor | Timor Escudo | [illegible] |
| Principe Is. | Guinea Escudo | [illegible] |
| Puerto Rico | U.S. $ | 2.49[illegible] |
| Qatar (S) | Q. Dubai Ryal | [illegible] |
| Reunion Ile de la. | C.F.A. Franc | [illegible] |
| Rhodesia | Pound●● | n.a. |
| Romania | Leu | [illegible] |
| Rwanda | Rwanda Franc | [illegible] |
| St. Christopher (S) | E. Caribbean $ | 4.80 |
| St. Helena (S) | £ Sterling | — |
| St. Lucia (S) | E. Caribbean $ | 4.80 |
| St. Pierre | C.F.A. Franc | [illegible] |
| St. Vincent (S) | E. Caribbean $ | 4.80 |
| Salvador El | Colon | [illegible] |
| Samoa (Am) | U.S. $ | 2.49[illegible] |
| San Marino | Italian Lira | [illegible] |
| Sao Tome | Guinea Escudo | [illegible] |
| Saudi Arabia | Ryal | [illegible] |
| Senegal | C.F.A. Franc | 688 |
| Seychelles (S) | S. Rupee | [illegible] |
| Sierra Leone (S) | Leone | 2.0 |
| ♦♦Singapore (S) | Singapore $ | [illegible] |
| Somali Rep. | Som. Shilling | [illegible] |
| Sth. Africa (S) | Rand | 1.776[illegible] |
| S. W. Africa Territories (S) | S.A. Rand | 1.776[illegible] |
| Spain | Peseta | 170.97[illegible] |
| Span. Ports in North Africa | Peseta | 170.97[illegible] |
| Sudan Rp. | Sudan £ | n.a. |
| Surinam | S. Guilder | 4.50 |
| Swaziland (S) | S. A. Rand | 1.7762 |
| Sweden | S. Krona | [illegible] |
| Switzerland | Swiss Franc | [illegible] |
| Syria | Syria £ | [illegible] |
| Tanzania (S) | Tan Shilling | [illegible] |
| Thailand | Baht | [illegible] |
| Tibet | Yuan | [illegible] |
| | Indian Rupee | [illegible] |
| Togo Rp. | C.F.A. Franc | 688 |
| Tonga Is. (S) | Pa'anga | [illegible] |
| Trinidad (S) | Trin & Tobago | 4.80 |
| Trucial Shk (S) | $ | |
| Tunisia | Tunisian Dinar | [illegible](sg) |
| Turkey | Turkish Lira | [illegible](sg.) |
| Uganda (S) | Ug. Shilling | [illegible] |
| Utd. States | U.S. Dollar | 2.49[illegible] |
| Uruguay | Uruguay Peso | 620 |
| U.S.S.R. | Rouble | 2.20 |
| Upper Volta | C.F.A. Franc | 688 |
| Vatican | Italian Lira | [illegible] |
| Venezuela | Bolivar | 11.17[illegible] |
| Vietnam (Nth) | Dong | [illegible](O) |
| | | 15.24(T) |
| Vietnam (Sth) | Piastre | n.a. |
| V'gin Is. U.S. | U.S. Dollar | 2.49[illegible] |
| Voltaic Rp. | C.F.A. Franc | 688 |
| Western Samoan (S) | Samoan Thaler | n.a. |
| Yemen | Ryal | n.a. |
| Yugoslavia | New Y. Dinar | [illegible] |
| Zambia (S) | Kwacha | 1.7142[illegible]* |

♦ That part of the French community in Africa formerly part of French West Africa or French Equatorial Africa.
♣ Government Tax of 8.2 per cent. London note rate 17-10.
§ Of the Trucial Sheikdoms, Abu Dhabi has adopted the Bahrain dinar. Dubai, Ras al Kaimah and Shariah have introduced the Qatar Dubai ryal as have the other Trucial States, Ajman, Fujairah and Umm al Qawain.
♦♦ Malaysia and Singapore and Brunei on June 12, 1967, issued their own currencies, which for the time being will be freely interchangeable.
□ Rate of oil and iron ore exports not available.
ф Rate of most transactions including exports, imports and non-trade transactions previously covered by the certificate rate; exceptions are preferential rates for oil exports and crude oil imports which are not currently available.
♣ The rate given is the commercial rate, reported to apply to Argentine exports. The financial rate, applying to other transactions was 16.57½ in the Argentine on September 30, and 16.97½ on Friday. London note rate 18-20.
* The Kwacha (equal to 100 Ngwee) was introduced on January 16, 1968. The Zambian pound remains legal tender until further notice.
♦♦ Rupees per pound. Tourists visiting Ceylon receive a premium of 55 per cent.
♥ Pounds per 100 rupees. The quotation is given in this form in line with the revised market practice. Tourists receive a 45 per cent. bonus on foreign currency surrendered to banks in Pakistan.
ΔΔ There is a special tourist rate of 40 zlotys to the dollar on exchange beyond a certain amount.
♥♥ Hong Kong dollar to £1 sterling.
¶¶ Bermuda has introduced a decimal currency, based on the Bda dollar.
●● A decimal currency, the dollar, equal to 10 Rhodesian shillings was introduced by the independent regime on February 17, 1970. The RH pound has a parity of $US2.80. The parity of the RH dollar is $US1.40.
I A new currency, the Rial Saidi, at gold parity with the pound, has replaced the Gulf Rupee.
¶¶ Dealings have been suspended since August 16, 1971, when the sucre was devalued from 18 to 25 to one U.S. dollar.
● Decimalised currency, based on the Kwacha (worth 10 old shillings) was introduced on February 15.
† Rate for gifts to Czechoslovakia 34.44.
Δ A decimal currency, the Dalasi (equal to 100 Bututs) has been introduced at a rate of 5 to Gambia £1.
♣ Rough rate, not necessarily up to date.
♣♣ £'s per 100 kyats.
†† Based on London inter-bank dealings. Transactions may be possible through Bank of Portugal at different rate.
$ Pounds per 100 rupees.
$$ Tourists may change up to $10 a day at tourist rates.
фф Approximate market rate. Official parity 17.1428.

BUSINESS OPPORTUNITIES ALSO APPEAR ON PAGE 14

Michael Rivkin, chairman of Renslade Investments (right), points out a feature on a ...le model of the development scheme to Sir David Burnett, chairman of Hay's Wharf (left), and Mr. Gabriel Harrison, of Amalgamated Investment and Property (centre).

# Hay's Wharf £300m. Sth. Bank redevelopment plan

BY ARTHUR SMITH

...S TO redevelop a 38.5-acre ...on site on the south bank of ...hames at a cost of more than ...m were announced yesterday ...e Proprietors of Hay's Wharf.

...re than 20,000 people might ...employed after completion, ...h was "possible within eight ...," one of the appointed ...lopers claimed. The site ...ches from Tower Bridge to ...non Street railway bridge.

## ...ree sectors

...me 2m. square feet of net let... office space is planned along ... two major hotels, 626 flats, ...shopping and other amenities.

... David Burnett, chairman of ...s Wharf, revealed that the ...pany, which started as...bling the site in 1957, now had ...tually all" the land within its ...trol.

...sponsibility for development ...e whole area had been settled ... the details of land tenure ...ked out. The scheme was ...ady under way and completion ...ld depend largely on how ...ckly planning permission and ...e development permits became ...ilable, Sir David reported.

...he project had been based on ...delines contained in the draft ...ategy plan prepared by ...uthwark Borough Council.

...A spokesman for the Council ...d yesterday that 5.5m. square ...t of office accommodation was planned for the whole of the Borough but negotiations about its phasing would have to take place with the Greater London Council.

The Hay's Wharf scheme has been divided into three sectors. Renslade Investments (City)—a company owned jointly by the Renslade Group and Amalgamated Investment and Property—has been appointed to undertake development of an eight-acre site immediately to the west of London Bridge. Southwark Cathedral is on this site.

Office development permits have already been obtained for more than 331,000 square feet of the projected 379,000 square feet of office development.

The second site is approximately 7.25 acres and stretches eastwards from London Bridge to Bettle Bridge Lane and is intended primarily for business use.

Much of the freehold is owned by the Corporation of the City of London, but Hay's Wharf owns the freehold of a quarter of the sector and has the benefit of long leases on most of the remainder, Sir David said. The developer appointed is St. Martins Property Corporation.

The feasibility of converting the original Hay's Dock and surrounding warehouses into a 400-room hotel is being investigated.

The third and biggest sector, to be carried out by Renslade Investments (London), is socially the most important, the company comments.

The entire office content—857,000 square feet in four blocks from seven to 32 storeys—will be set well back on the site, leaving the river area free for major residential and amenity purposes.

A 110,000 square feet shopping centre will form the base of an office block and will be the focal point for shopping within the whole complex.

● A £20m. scheme for Government offices at Vauxhall, London, has been submitted to Lambeth Borough Council by the Department of the Environment.

The proposed major redevelopment at the southern foot of Vauxhall Bridge would include provision for an hotel, shops and a public house, said the Department. The scheme could start next year and be completed by the late 1970s, it adds.

The offices, including a 475-foot tower, would provide accommodation for 6,500 to 7,00 staff.

See Men and Matters Page 16

# New day of terror in Ulster

BY JOHN GRAHAM BELFAST, Oct. 25.

THE TERRORISTS in Northern Ireland to-day continued their tactics of ambush and specific assassination. Several people have been wounded, but at least by early evening none had died.

By six o'clock this evening there had been 15 incidents involving British troops. Some idea of the severity of the present situation can be drawn from the fact that simply because there had been no fatilities the authorities were prepared to consider it a relatively quiet day.

## Ring at door

Early this morning Constable Sean Hughes, a roman catholic, was shot in the head by a terrorist firing from the opposite side of the street, when he looked out of his bedroom window after a ring on his doorbell. He is seriously ill.

A spokesman at police headquarters said: "We are treating this as another assassination attempt on a member of the force."

At lunchtime there was what may have been an attempt on the Recorder of Belfast, Judge Topping. Four men entered his house, in a fashionable suburb, but fled when they saw his housekeeper.

Two or three houses in this neighbouring areas have been burnt to the ground by arsonists over the last few months. There is a theory that they were mistakenly set on fire, and that the intended victim was Judge Topping.

A policy of specific assassination appears now to be part of the IRA strategy. Such incidents have become much more frequent since an attack in central Belfast 10 days ago, when two plain-clothes policemen were machine-gunned to death in their car.

As for co-ordinated ambushes to-day, British soldiers in the Andersontown area of Belfast came under gunfire just before dawn from "several locations." There were no casualties among the troops, but a women was shot and seriously wounded.

As to the two women shot dead on Saturday, and about whom there is still a controversy raging, IRA death notices in this morning's newspaper suggest that the authorities' version may be correct. One of the women, Dorothy Maguire, 19, was described as a "staff officer" of the Republican Women's organisation. Another notice described both her and her sister, Mrs. Moira Meehan, the other woman who died, as "comrades."

In other trouble to-day all over the province, soldiers were fired on in many areas of Belfast, the Army post at Bligh's Lane, Londonderry, came under minor attack, and soldiers trying to blow a crater in a border road were fired on from the southern side of the border. The shots hit a Saracen armoured vehicle but no one was hurt.

In Newry, where there was serious rioting last night and some trouble this afternoon, all the shops closed early, and there is evidence already that some Protestant families are moving out of districts which are predominantly Catholic.

The death toll from last week-end, the worst week-end since the intensification that began in August, has increased the number of victims this year to 100.

Although the frequency and the degree of the outbreaks now commands attention almost to the exclusion of anything else, the political manoeuvrings of this factious province drag on.

## First "assembly"

To-morrow, for instance, the so-called Alternative Assembly holds its first meeting at Dungiven. Many behind this movement — elected politicians who have renounced Stormont, the Unionist system and all its works—spoke yesterday at the annual convention of the Social Democratic and Labour Party.

Mr. Gerry Fitt bound himself to the defeat of Unionism through his party, which he described as non-sectarian, and indeed anti-secterian. Mr. John Hume, president of the Alternative Assembly, recommitted himself to non-violence. The first fundamental in the present situation, he said, was to bring about a reconciliation between the different traditions in Northern Ireland.

The Northern Ireland Government, meanwhile, is preparing to publish what is known as its consultative document. Among other things, this will set out its plans for proportional representation. It is thus an official attempt, if you like at reconciling the different traditions, but the tempo of violence gripping the country at the moment is likely to be too fast for it.

## Vehicle and General Tribunal of Inquiry

# Whitehall foresight could have saved misery—QC

THOUSANDS of motorists holding policies with the collapsed Vehicle and General Insurance Company could have been largely saved from their "miserable predicament" by the appropriate degree of appreciation, foresight and fortitude on the part of the Government officials entrusted with their protection, claimed Sir Elwyn Jones, QC, yesterday.

Sir Elwyn was making his final speech on behalf of policy holders and shareholders of V & G to the Tribunal investigating the company's collapse.

He strongly indicted the insurance and companies branch of the Department of Trade and Industry and its officers for failing to intervene in the affairs of the company as they were empowered under the statutes. He referred both to the Insurance Companies Act, 1958, and the Companies Act, 1967, under which the branch's powers of intervention were expanded.

## Confused

He submitted that Section 14 (1) of the 1958 Act was intended to, and did, enable the branch to require that in any case where it was not already satisfied beyond reasonable doubt that a company's solvency margin was intact, then the company should give any one or more of the prescribed forms of assistance as specified by the branch.

He alleged that the officers of the branch in this earlier period of V & G's existence confused themselves in two ways, and the confusion to some extent overlapped. They became lost in a sea of semantics.

One could collect a multiplicity of verbal formulations. It had been said that it was necessary "to be sure in advance that the inspection would produce evidence of insolvency."

It had been said that "there must be some circumstances suggesting insolvency;" that "there must be reasonable doubt as to whether a company is insolvent;" that "there must be solid grounds for thinking that a company is in fact insolvent;" and that reasonable grounds were needed "for suspecting that a company was or might already be insolvent."

He said that to the extent that in any particular year—the branch's officers were or should have been seriously concerned about the possibility of underestimation for outstanding claims, then Section 14 (1), properly construed and applied, would have given them the means of removing or confirming that uncertainty, which was an uncertainty which must bear on the existence of a solvency margin itself.

## Policy

Sir Elwyn said that not a single memorandum from the DTI's solicitors could have given the insurance branch comfort for the views it had advanced.

He invited the Tribunal to conclude that the most by way of qualification which could be derived from any of the advising solicitors was that the power under that section should be exercised carefully and should not be exercised frivolously.

He said the Department was to be criticised in one of two ways: either the relevant officers failed to apply their minds to the matter at all; or they unjustifiably established for themselves a policy, a practice or a habit which put Section 14 outside the bounds of action.

He said that since their attention had been drawn from time to time to the differences of construction of Section 14 powers by the British Insurance Association, the conclusion seemed inevitable that "we are in an area of practical reluctance, and not inattention."

## Guilty

If that were the case, his submission was that, as Under-Secretary, Mr. Christopher Jardine was primarily to blame after he had replaced Mr. Stacy in 1964 and that Mr. Cyril Homewood, the Assistant Secretary, who had been in the insurance branch since January, 1961, must share that blame.

He said it was also his submission in respect of Mr. Jardine and Mr. Homewood that by excluding from their effective armoury the only statutory provision by which use the truth could have become known, they were guilty of negligence.

He added "A self-inflicted incapacity within a sphere where one's supervisory functions can only be discharged through the medium of that capability which is made sterile is, I submit, a clear form of negligence."

Sir Elwyn said the expectations which attended the passing of the successive Act to prevent insolvency were relevant. If, contrary to his submissions, the Tribunal concluded that the branch's officers might reasonably be in a state of doubt, because of the legal advice they had been offered, then they should have been prompted to clarify those doubts from other legal sources, with the object of acquiring the potency, which both the public and the BIA expected of them.

He said the branch appeared to have accepted there was a legal duty to see that a prescribed solvency margin should be maintained by insurers. It was also accepted by all its officers that this was a real exercise which concerned the actuality of the solvency margin and not simply a figure which was yielded by a few minutes' examination of the arithmetic.

## Misconception

He said it was a matter for consideration whether the branch officers were as clear in their minds about the implication of this general duty at the time they were supposed to be discharging it.

Sir Elwyn said another general point which represented the departmental misconception arose from the balancing of assets and liabilities. All the way through the branch witnesses had said it was possible to be free of doubt with regard to the solvency after some discounting of the assets, though the company's outstanding claims figure was left virtually as it stood in the accounts.

He said the constantly reiterated phrase was that the Department was concerned only about the degree and not the facts of solvency. It seems the approach was that the reserves had always to be taken on trust as very largely they were and could not be respectably challenged in the course of the branch's computations.

Sir Elwyn claimed that negligence started with the fact that the branch never seemed to have considered an alternative approach. If that was the furthest they reached in their processes of thought it was not surprising their examination of individual assets was largely uncritical.

Failure to give serious consideration to the break-up basis for a valuation of the assets represented negligence all along the line.

## Fundamental

He said it affected Mr. Jardine at the top, through Mr. Homewood down to Mr. Norman Nail, chief executive officer at the earlier period, and the equivalent officers at the later stage.

He said it affected them all because the point was both fundamental and elementary.

It was plain, he said, that the branch never sought advice from any quarter and never thought it was necessary to do so.

Sir Elwyn said the branch had always said comparisons were misleading because there were features of V & G's operation which made it distinguishable from any master company and distinguishable from the norm.

He said whenever one looked at a departmental minute dealing with this subject, one found acceptance of the discrepancy coupled with immediate reliance on some alleged feature of V & G's business which made the comparison unhelpful.

## PROVINCIAL CUTS INTEREST RATES

Provincial Building Society is cutting the rate of interest on existing mortgages by ½ per cent. per annum to 8 per cent. from January 1. New offers will be at the lower rate from November 1.

Interest on investment accounts will be reduced by ½ per cent. per annum from January 1, except for the linked Paid Up Share/Save As You Earn scheme, in which interest on existing accounts will remain at 5 per cent. until 60 transfers to SAYE have been completed.

## OBITUARY

Mr. W. M. Fenton, financial director of the Guthrie Corporation, died on Saturday.

# "Seawing" holiday plans

BY JAMES McDONALD, SHIPPING CORRESPONDENT

NEXT YEAR the P & O and Horizon Holidays will more than double the size of their "Seawing" fly-stay-cruise programme. The 1972 programme comprises 25 holidays of from eight to 17 days with a choice of five P & O liners —Canberra, Oriana, Arcadia, Orsova and Chusan—and hotel accommodation selected by Horizon in the nine areas: Greece, Corsica, Elba, Sicily, Majorca, Spain, Portugal, Italy or the Canary Islands.

A typical 14-day holiday quoted by P & O in the programme involves leaving London's Heathrow on August 5 in a jet to Athens, staying six days in an hotel in Athens or by the sea, and joining the P & O liner Oriana for a cruise back to Southampton, with calls at Beirut, Gibraltar and Lisbon. Fares for this particular holiday range upwards from £133 in a four-berth tourist cabin to £245 in a single first-class cabin.

A total of over 1,000 holiday berths will be available in the programme, with prices starting at £68. Details are given in the 1972 Horizon Holidays brochure.

P & O passenger division's U.K. manager, Mr. Peter Wise, comments: "With the travel market's growing tendency towards two-centre holidays, we are confident that this type of double interest holiday will be increasingly successful in future years."

# TV advertising nets extra 14.2%

BY PAMELA JUDGE

...V advertising revenue rose by ...2 per cent. in the first nine ...nths of the year compared ...h last year according to the ...dependent TV Companies ...sociation.

...With pre-Christmas spending ...advertisers still to come, it ...w looks certain that 1971 will ... a record for the industry.

...The total to September ...ached £75.2m. compared with ...8m. in 1970.

...Last year's strike at Granada ...uld have accounted for ...0,000 lost revenue, but Mr. Nigel Rogers, managing director of the British Bureau of TV Advertising, making a "cautious" forecast yesterday, said the total for this year might be £108m. against the previous high of £98m. in 1968.

This will include revenue from higher advertising rates coming into operation this autumn. But the amount of short-term booking at the moment makes the final total uncertain.

Revenue for September alone was just over £9.3m. against more than £7.5m. last year.

# New foreign partnership for Hambros

By Michael Blanden

A FRESH international link between French and West German banks brings a new partnership for Hambros Bank. As reported in the Financial Times on Saturday, Banque de l'Union Européenne is linking with West Germany's largest banking group, Westdeutsche Landesbank Girozentrale.

A major effect of the move is to bring in the French bank, with which Hambros has had an association for many years, as the third partner in the operation of Bankhaus Burgardt and Brockelschen, the investment bank of Dortmund and Dusseldorf. At the end of the last year Hambros took a third interest in this business. Under the new agreements the Westdeutsche Landesbank will cede to the French bank a one-third interest in Burgardt.

Furthermore Banque de l'Union Europeenne will acquire 25 per cent. of Franco Finanz Beteiligungs-Gesellschaft, a German holding company, which controls the Banque Franco Allemande in Paris. The other 75 per cent. of the capital of Franco Finanz Beteiligungs-Gesellschaft is held by the Westdeutsche Landesbank Girozentrale and the Deutsche Girozentrale.

In consideration for the shares of Bankhaus Burgardt and Brockelschen the Westdeutsche Landesbank Girozentrale will receive shares of Banque de l'Union Europeenne, representing approximately 4.6 per cent. of the capital of this bank.

# Mobil North Sea leases drilling ship

MOBIL NORTH SEA, an affiliate of Mobil Oil Corporation, has signed a lease for the 1972 use of the drilling ship Glomar V, with options to renew for up to two additional years.

At present located off Indonesia, the vessel is due to begin drilling operations in the North Sea early in April, Mobil added.

One of the early drilling sites would be Block 9/13, which was successfully bid for recently by a group of companies for which Mobil is the operator.

# Chrysler bid to protect used car buyers

Financial Times Reporter

CHRYSLER U.K. yesterday announced a "watchdog" scheme designed to improve the standard of used cars sold by its dealers.

Under the plan dealers will have to satisfy the company that their facilities for preparing, presenting and servicing used cars are of a high standard decided by Chrysler. They will have to provide warranties for the vehicles sold, the terms to be decided on an individual basis and, in the event of a complaint which cannot be resolved, Chrysler will act as arbitrator.

Called the Chrysler Dependable Used Car Programme, the scheme will apply to any vehicle up to three years old with less than 30,000 miles recorded. It will be introduced by selected dealers first and 70 should be appointed by the end of this year. The majority of the 1,000 Chrysler U.K. dealers are expected to join in eventually.

# Smokeless fuels 'satisfactory'

STOCKS OF solid smokeless fuel are satisfactory, Sir John Eden, Minister for Industry, said in a written reply.

"Producers and merchants are confident that, provided production continues normally, they can meet the demand this winter," he said.

# Depressed in sluggish trading

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Oct. 25.

PRICES REMAINED DEPRESSED in extremely sluggish trading on Wall Street to-day, when banks were closed and many Stock Market operators were absent to observe the Veterans' Day holiday.

The Dow Jones Industrial Average was down another 3.87 to 848.50, after 847.50, while the NYSE All Common Index further declined 22 cents to $52.90.

Losses led gains by 802 to 432. Volume was halved at 7.34m. shares, compared with 14.58m. last Friday, and was the lowest of year—the previous low for the year was 7.8m. shares on October 11, Columbus Day.

The market remains confused and uncertain over what standards will be set by the Nixon Administration Phase Two economic programme. Wages and Price Boards are to meet later this week and some market observers hope these meetings will help clear up some of their outstanding questions.

The main concern continues to be that business will find itself in a profit squeeze if price increases are not permitted to keep up with wage increases.

In Blue Chips, Westinghouse fell $1⅛ to $27⅞. Procter and Gamble eased $¼ to $69½, despite improved third quarter profits.

"Glamours" finished mostly higher. Disney advanced $2¼ to $105.

Motors gave ground, although most reported an increased in mid-October car sales. Ford eased $⅜ to $68½. General Motors declined $⅞ to $72¾, while Chrysler gave away $⅜ to $27½ despite improved third quarter earnings.

Airlines were under pressure from profit taking most of the day but closed above the worst. TWA were down $⅜ at $38, American were off $⅞ at $37⅝, but Braniff edged up $⅛ to $15⅛. UAL gained $⅛ to $32¾. Pan Am were unchanged at $11⅝.

U.S. Financial fell $4⅝ points to $39 and Kaufman and Broad dropped $4½ to $35—both issues were delayed for most of the morning, and each were the subjects of adverse Press comment.

Brockway Glass topped the active list and slipped $⅛ to $24⅛.

American Telephone dipped $⅜ to $42¼, but American Electric Power inched up $¼ to $28¼.

American Standard were active but closed unchanged at $15⅝.

Prices drifted downwards on the American SE, where the index slipped 7 cents to $24.88 in a volume of 1.91m. (3.03m.). Declines led advances by 501-to-251.

None of the issues on the active list finished higher. $1, or more, loses were taken by Kaufman and Broad. Warrants, Leisure Technology, Union America Mortgage, Presley Development, Development Corp. of America and Champion Home Builders.

## OTHER MARKETS

### Canada lower

All sectors lost ground in light trading on Canadian Stock Markets yesterday morning. On Index, Western Oils declined 2.74, Base Metals lost 1.34, Banks dipped 0.89, Golds shed 0.86, Industrials gave way 0.55, Utilities eased 0.53 and Papers were off 0.27.

PARIS—Market again moved lower in all sectors on lack of stimulus. Cie Bancaire advanced after reporting higher first half-year profits.

Roussel-Uclaf led Chemicals lower, while Electricals, Foods and Stores were also weak.

Poclain in Engineerings, Lille-Bonnieres in Oils and l'Oreal in Perfumes all dropped sharply.

Foreign stocks eased throughout the list.

BRUSSELS—Small losses predominated. Societe Generale lost Frs.33, Sofina Frs.110 and Hoboken Frs.30. But Petrofina rose Frs.15.

Canadian Pacific, Brascan, Moodedison and Genstar were each maintained in an otherwise mainly lower Foreign section.

GERMANY—Closed above the worst, with trading hesitant in view of the Bundesbank Council meeting.

Motors and Engineerings were lower, with Daimler off DM2 and Linde down DM3.

Bonds were well maintained in quiet trading. Public issues gained up to ½ point.

AMSTERDAM—Losses outnumbered gains in a quiet local Industrial sector. Naardeo Chemie, however, firmed Fls.1.3.

Among Plantations, Amsterdam Rubber were weak, but Koninklijke Nederlandsche Stoomboot Mij were very firm in steady Shippings.

Banks were quietly steady, but Investment Funds and Insurances were weaker.

Dutch State Loans were quietly easier.

Internationals were quietly weak, led by Unilever, off Fls.2.1, on local selling.

MILAN—Selectively higher in moderate trading. Montedison rose Lire 2.75 to 725, Snia Viscosa advanced Lire 12 and Fiat rallied Lire 25. But Pirelli Spa eased Lire 17 and Olivetti lost Lire 11.

Banks were mixed, while Assicurazioni Generali put on Lire 390 to 50,3450 in iregular Insurances. La Centrale improved Lire 150 among generally quiet Financials. Bastogi were Lire 12 down at 1,728.

Bonds were steady.

SWITZERLAND—Markets eased in dull trading. Banks declined. Elektrowatt and Motor-Columbus each showed small losses. Italo Suisse also lost ground. Insurances were generally barely steady. Chemicals, Foods and Engineerings weakened, with the exception of the firmer Hero Conserven.

State Bonds were steady.

In the Foreign sector trading was fairly active. Dollar stocks were irregularly lower, while Dutch shares closed barely steady. Germans were weaker.

STOCKHOLM—Irregular trend.

OSLO—Banks, Insurance, Industrials and Shippings were all firm.

VIENNA—Very quiet.

COPENHAGEN—Easier in quiet trading.

TOKYO—Irregular trend in limited trading—75m. shares. Dealers were relieved that selling by Foreign investors and Japanese Mutual Funds subsided late last week, but they were showing only limited fresh interest in a number of stocks.

Some Electricals were lower on fears that they might be compelled to restrict exports. Sony declined another Yen 20 to 2,630, while T. D. K. Electronics shed Yen 2 to 420.

Constructions, Pharmaceuticals, and Foodstuffs, mostly moved fractionally.

AUSTRALIA—Selected issues were in demand and recorded some worthwhile gains, following recent sharp losses. "Heavyweight" Mines continued to attract attention, while Oils and Industrials were mostly higher.

MIM rose 9 cents to $2.92, Hamersley put on 6 cents to $2.59 and Metals Exploration gained 5 cents to $3.10 bid. Peko were 10 cents higher at $6.60 and Western Mining advanced 15 cents to $2.46.

Poseidon gained $1 to $14, Queensland Mines rose 10 cents to $3.80, as did Kathleen Investment to $2.75. Whim Creek sustained an early 20 cents gain at $3.30.

In Oils, Woodside were up 2 cents at 94 cents and Bridge added 3 cents at 32 cents. Timor also put on 3 cents at 30 cents.

James Stedman were lifted 20 cents to $2.75 on Lifesavers revised offer. CSR gained 5 cents to $4.46 and TNT 4 cents to $1.74.

Myer Emporium were up 2 cents to $3.13 on the higher profit, but Bank NSW lost 16 cents to $5.58 on its annual report.

JOHANNESBURG—Market continued to decline in very quiet trading. De Beers slipped further 7 cents, while in Platinums Lydenburg and PP Rust each moved lower. Other Metals were also easier, with a 15 cents loss in Consolidated Murchison.

Clydesdale and Tavistock slipped back in Collieries, as did Hillsam and Nedbank in Banks. Industrials were virtually neglected.

● IMPERIAL OIL, largest integrated petroleum company in Canada, had profit of $101m. or 78 cents a share in nine months ended September 30 against $69m. (54 cents) a year earlier. Improved profit reflects greater exports of crude oil, increased sales domestically, major operating efficiencies and price increases for products. Company says nine-month figures do not necessarily indicate the growth rate for the remainder of the year.

● GOODYEAR TIRE AND RUBBER OF CANADA had profit of $4.87m. or $18.33 a share in nine months ended September 30, against $1.62m. ($5.69) a year earlier. Sales were $133.3m. ($129.96m.).

## Indices

### NEW YORK

#### DOW JONES AVERAGES

| Close | Bomo Bonds | Transport ‡ | Indus. * | Util. ⊕ | Trading volume† 000's |
|---|---|---|---|---|---|
| Oct. 25 | 72.12 | 231.86 | 848.50 | 113.56 | 7,340 |
| 22 | 72.01 | 232.04 | 852.37 | 115.78 | 14,080 |
| 21 | 71.87 | 233.36 | 854.86 | 114.07 | 14,990 |
| 20 | 71.93 | 232.54 | 855.65 | 114.04 | 16,340 |
| 19 | 71.82 | 234.82 | 868.43 | 115.86 | 13,040 |
| 18 | 71.78 | 236.68 | 872.44 | 115.78 | 10,420 |
| 15 | 71.75 | 237.54 | 874.85 | 115.96 | 13,120 |
| 14 | 71.76 | 238.54 | 876.56 | 115.96 | 12,870 |
| 13 | 71.70 | 242.64 | 888.80 | 116.40 | 13,640 |
| 12 | 71.59 | 244.21 | 893.56 | 116.09 | 18,340 |
| 1971 High | 71.88 (6/4) | 248.33 (7/9) | 950.82 (28/4) | 128.39 (19/1) | — |
| Low | 58.52 (4/1) | 169.70 (4/1) | 830.57 (4/1) | 109.16 (27/9) | — |

* All-time high 995.15 (9/2/66)
‡ All-time high 279.88 (7/2/69)
⊕ All-time high 163.32 (20/4/65)
† Excluding bonds.

#### IND. DIVIDEND YIELD p.c.

| Oct. 22 | Oct. 18 | Oct. 19 1970 |
|---|---|---|
| 3.70 | 3.51 | 4.21 |

#### N.Y. SE ALL COMMON INDEX

Dec. 31, 1965=50.

| 1971 High | 1971 Low | Mon. | Fri. | Thurs. | Wed. | Tues. |
|---|---|---|---|---|---|---|
| 57.72 (28/4) | 49.73 (4/1) | 52.90 | 52.22 | 52.85 | 52.85 | 53.57 |

#### RISES AND FALLS

| Issues traded | Up | Down | Unchanged |
|---|---|---|---|
| 1,593 | 436 | 806 | 351 |

| 1970/1 | Mon. | Fri. | Thurs. | Wed. | Tues. |
|---|---|---|---|---|---|
| New Highs | 6 | 8 | 8 | 6 | 15 |
| New Lows | 79 | 57 | 112 | 102 | 71 |

#### AMERICAN SE ALL STOCKS AVERAGE

| 1971 High | 1971 Low | Mon. | Fri. | Thurs. | Wed. | Tues. |
|---|---|---|---|---|---|---|
| 26.69 (28/4) | 22.72 (4/1) | 24.88 | 24.95 | 24.96 | 24.92 | 25.18 |
| Volume (000's) | | 1,910 | 3,030 | 3,410 | 4,290 | 4,180 |

#### STANDARD AND POORS U.S. STOCK INDICES

| | *Industrials | †Composite |
|---|---|---|
| Oct. 25 | 104.75 | 95.10 |
| 22 | 105.21 | 95.51 |
| 21 | 105.51 | 95.80 |
| 20 | 105.35 | 95.65 |
| 19 | 106.63 | 97.00 |
| 18 | 107.29 | 97.35 |
| 15 | 107.77 | 97.79 |
| 1971 High | 115.84 (28/4) | 104.77 (28/4) |
| 1971 Low | 99.73 (14/1) | 90.59 (14/1) |

* 425 Utilities. † 425 Industrials, 50 Utilities, and 25 Rails. (1941=10.)

#### STOCK AND BOND YIELDS

| | Oct. 20 | Oct. 14 | Oct. 21 1970 |
|---|---|---|---|
| Industrial div. yield pc | 2.99 | 2.88 | 3.56 |
| Price-earning ratio | 17.12 | 17.76 | 15.79 |
| Long-term Govt. Bds. yield pc | 5.73 | 5.69 | 6.78 |

#### MOST ACTIVE STOCKS

| | Shares traded | Closing price | Change on day |
|---|---|---|---|
| Brockway Glass | 128,100 | 24⅛ | −⅛ |
| Union Carbide | 92,200 | 40⅜ | −⅛ |
| Plessey | 91,200 | 2 | −⅛ |
| Kauf Broad | 81,100 | 35 | −4½ |
| TWA | 80,700 | 38 | −⅜ |
| Braniff Airways | 78,500 | 15⅛ | +⅛ |
| Chrysler | 70,000 | 27½ | −⅜ |
| Benguet | 63,700 | 5⅝ | −⅛ |
| Boise Cascade | 59,700 | 20 | −⅜ |
| American Standard | 58,400 | 15⅝ | — |

### TORONTO

#### INDUSTRIAL INDEX

| Oct. 25 | Oct. 22 | 1971 High | 1971 Low |
|---|---|---|---|
| 161.57 | 162.21 | 188.74 (2/1) | 161.40 (14/10) |

### MONTREAL

#### INDUSTRIAL INDEX

| Oct. 25 | Oct. 22 | 1971 High | 1971 Low |
|---|---|---|---|
| 167.61 | 167.63 | 186.89 (20/4) | 167.04 (25/10) |

#### COMBINED INDEX

| Oct. 25 | Oct. 22 | 1971 High | 1971 Low |
|---|---|---|---|
| 166.85 | 167.46 | 181.05 (20/4) | 166.85 (25/10) |

### JOHANNESBURG

| | Oct. 25 | Oct. 22 | High | Low |
|---|---|---|---|---|
| Industrials | 162.8 | 165.2 | 212.4 (9/4) | 162.8 (25/10) |
| Golds | 64.3 | 64.5 | 89.3 (19/4) | 64.3 (25/10) |

(1958=100). Source: Rand Daily Mail.

### AUSTRALIA

#### MELBOURNE YIELD INDICES

| Av'ge yield on 50 Leading Stocks | Oct. 21 | Oct. 15 | Oct. 14 |
|---|---|---|---|
| On Dividends | 5.59 | 5.57 | 5.57 |
| On Earnings | 2.50 | 2.33 | 2.33 |

#### SYDNEY ALL ORD. INDEX

| Oct. 25 | Oct. 22 | High 1971 | Low 1971 |
|---|---|---|---|
| 438.32 | 432.88 | 518.51 (4/1) | 428.40 (8/10) |

### TOKYO

#### NEW SE INDEX

Base=100 January 4, 1968.

| Oct. 25 + or − | Div. % | Yield % |
|---|---|---|
| 172.41 −0.03 | 11.90 | 3.35 |

| | High | Low |
|---|---|---|
| 1971 | 208.18 (13/8) | 148.88 (5/1) |

### EUROPE

| | Oct. 25 | Previous | 1971 High | 1971 Low |
|---|---|---|---|---|
| Belg'm (m) | 93.06 | 93.65 | 108.74 (30/7) | 92.14 (4/1) |
| France (bb) | 66.0 | 67.1 | 79.2 (28/7) | 65.8 (12/10) |
| Germany* | 92.56 | 92.96 | 112.71 (23/3) | 92.56 (25/10) |
| Holland (c) | 98.2 | 99.6 | 128.0 (8/4) | 98.8 (25/10) |
| Italy† | 47.09 | 46.97 | 60.09 (6/3) | 45.29 (28/9) |
| Sweden (p) | 281.64 | 282.60 | 292.71 (23/6) | 245.11 (5/1) |
| Switz'rl'd** | 360.1 | 356.3 | 412.9 (10/9) | 353.6 (4/1) |

* Herstatt Index. ‡ Base amended to January 1, 1962, from December, 1950. ** Swiss Bank Corporation Index base 100 December, 1958. (b) Basis 100 December 29, 1967. (c) Closed. (m) Base date amended from 1953 to 1963. (o) Adjusted now quoted on basis 1963=100 and no longer 1953=100. (p) Base date December 29, 1956. (bb) New index introduced by Paris Bourse Committee basis 1961=100.

# Large assistance

Bank Rate 5% (Sept. 2, 1971)

Credit was in short supply in the Discount market yesterday, and the authorities gave a large amount of assistance mainly by buying Treasury bills from the houses. Other help was given by the purchase of corporation bills and bank bills. The Treasury bill take-up and run down balances at the banks were against the market's favour, but these were somewhat offset by an excess of Exchequer disbursements over revenue payments.

A rate of 4¾ per cent. was paid for secured day-to-day loans in the morning and fresh funds were not easily found. Conditions still tight by the close when ware in a range of 4¾-… to 5 per cent.

In the inter-bank market night loans opened at 5… cent., reaching 5¾ per cent. early afternoon, and closed 5¾-6 per cent.

| Oct. 26 | Sterling certificates of deposit | Inter-bank | Local Authority deposits* | Local Auth. negotiable bonds | Finance house deposits | Inter-company loans | Discount market deposit† | Treasury bills ⊕ | Bank bills ⊕ |
|---|---|---|---|---|---|---|---|---|---|
| Overnight | — | 5-6 | 5⅜-5½ | — | — | 5¼-5½ | 4¾-5 | — | — |
| 2 days notice | — | — | 5⅛-5⅜ | — | — | 5¾-5⅝ | | — | — |
| 7 days or 7 days notice | — | 5-5¼ | 5⅛-5⅝ | — | 5¼-5⅜ | 5⅜-5⅝ | 5-5 1/16 | | |
| One month | 5 1/16-5 3/16 | 5 1/16-5 3/16 | 5⅛-5⅜ | 5⅝-5 | 5⅛-5⅜ | 5¼ 5⅜ | — | 4 13/32-4 7/16 | 4 7/16-4 15/32 |
| Two months | 5 3/16-5 5/16 | 5 1/16-5 3/16 | 5⅛-5⅜ | 5¾-6 | 5⅛-5⅜ | 5⅜-5⅝ | — | 4 13/32-4½ | 4 7/16-4½ |
| Three months | 5 5/16-5 7/16 | 5 7/16-5¼ | 5⅞-5⅜ | 5¼-5 | 5⅞-5½ | 5¾-5⅝ | — | 4 13/32-4 7/16 | 4 15/32-4½ |
| Six months | 5¾-5 15/16 | 5 13/16-5 15/16 | 5¼-5 5/16 | 5 13/16-5⅛ | 5⅜-5⅝ | 5⅞-6 | — | — | — |
| Nine months | 5⅝-5¼ | 5¼-5⅝ | 5⅝-5⅞ | 5 7/16-5¼ | 5½-5¾ | 6-6¼ | — | — | — |
| One year | 5 7/16-5 9/16 | 5⅝-5½ | 5⅝-5¾ | 5⅛-5 9/16 | 5¾-6 | 6¼-6½ | — | — | — |
| Two years | — | 6⅛-6¼ | 6 3/16-6⅝ | 6¼-6 | 6 | 6-6⅛ | — | — | — |

† Local authorities and finance houses seven-day notice, other seven-days fixed. * Nominal longer-term mortgage three-years 5 15/16-7¼ per cent., four-years 7¼-7 7/16 per cent., and five-years 7¼-7 9/16 per cent. ⊕ Bill rates in table are buying for prime paper. Buying rate for 4-month bank bills 4 15/32 per cent., and for 4-month trade bills 5¾ per cent. Approx. selling rate for 1-month Treasury bills 4⅜ per cent., for 2-month 4 7/16 per cent., and for 3-month 4 31-64ths per cent. three months bank bills eligible for re-discount at the Bank of England were quoted for sale in places at 4¾ per cent. one to three-month trade bills at 5 per cent.

Finance House Base Rate (published by the Finance House Association) 5 per cent. from Oct. 1. Clearing banks' rate (for small sums at 7-days' notice) 2½-3 per cent., and Base Rate for lending 4½-5 per cent.

Co-operative Bank Deposits: 7-day 5 per cent., 1-month 3¾ per cent., base rate 5 per cent.

## EXCHANGES AND BULLION

Sterling again reached a new floating high point against the dollar in London interbank dealings, although trading was very thin with the New York market closed for an annual holiday. The pound closed at $2.4928-$2.4931, after touching a high point during the afternoon of $2.4937-$2.4939 on fairly strong demand from the Continent. Longer term Euro-dollar rates had a softer tone. The 3-month and 6-month pound narrowed to 0.45 cents discount, but the 12-month moved to 0.12 cents premium. The dollar had a mixed day against the major currencies, losing ground to the D-Mark but gaining in terms of French commercial francs. The Japanese yen touched a new high of 3.29½ to the dollar, although Canadian dollars were a little weaker after the cut in the Bank Rate in Canada.

Gold was fixed at $42.47½ (£17.042) an ounce in London in the morning and at $42.52½ (£17.061) in the afternoon. After moderate trading the closing quotation was unchanged on the day at $42.40-42.60. Among gold coins old sovereigns fell 2½ cents to $12.80-12.90, double Eagles lost $½ to $65½-66½, and single Eagles gained $¼ at $35½-36½. In Zurich gold closed unchanged at $42.45-42.60. In Paris the 12½-kilogramme gold bar was fixed at Frs.7,439 ($42.70 an ounce, up 15 cents at the financial franc exchange rate) at noon, and at Frs.7,440 ($42.70 an ounce) in the afternoon. The one-kilogramme ingot was fixed at Frs.7,450 ($42.76 an ounce). Turnover at the Bourse meeting was Frs.4.2m. Hong Kong lowered gold 6 cents to $44.32.

### EXCHANGE CROSS-RATES

| Oct. 25 | Frankfurt | New York | Paris a | Brussels | London | Amsterdam | Zurich |
|---|---|---|---|---|---|---|---|
| Frankfurt | — | 3.331-332 | 60.305-350 | 7.12-13 | 8.31-312 | 99.30-35 | 83.50-55 |
| N.York (c) | 30.0-01 | — | 18.1126-75 | 2.1395-1413 | 2.4925-4927 | 29.825-830 | 25.125-130 |
| Paris (c) | 165.46-65 | 5.5195-5230 | — | 11.11-125 | 13.757-767 | 164.53-.63 | 138.45-55 |
| Brussels | 1408-10 | 46.70-72 | 8.46½-47 | — | 116.50-55 | 13.93-¼ | 11.72-½ |
| London | 8.30¼-¾ | 2.49¼-⅜ | 13.75½-76½ | 116.45-55 | — | 8.36½-6½ | 9.93½-94½ |
| Am'd'm | 100.56½-61½ | 3.25⅜-⅝ | 60.76-81 | 7.18-½ | 8.36-½ | — | 84.17½-22½ |
| Zurich | 119.45-55 | 3.9850-65 | 2.17-27 | 8.52½-53½ | 3.934-943 | 118.75-95 | — |

U.S. $ on Montreal 1.00 1/16-⅛. Canadian $ on New York 0.9994-0.9997. a: Commercial. Milan on New York 621.20. Milan on London 1526.05. (c) Closed.

### EURO-CURRENCY INTEREST RATES ◇

| Oct. 25 | Sterling | U.S. dollar | Canadian dollar | Dutch guilder | W. German mark | Swiss franc |
|---|---|---|---|---|---|---|
| Short-term ‡ | 4¼-4¾ | 4¾-5¾ | 4⅝-4⅞ | 5¾-6¾ | 5½-6 | ⅛-1 |
| 7-days' notice | | 5-5½ | 5-5¾ | 5¾-6¼ | 5⅛-6 | ⅛-1 |
| Month | 4¼-4¾ | 5¼-5¾ | 5¾-5⅛ | 5⅝-6⅛ | 5¼-5⅝ | 1⅛-1⅞ |
| Three months | 5⅝-5⅞ | 6-6½ | 5⅝-5⅞ | 5¾-6⅛ | 5⅝-5⅞ | 1⅝-1⅞ |
| Six months | 5½-6⅛ | 6⅛-6⅝ | 6⅛-6⅜ | 5⅞-5⅞ | 5⅞-5⅞ | 2⅜-2⅝ |
| One year | 5¼-5¾ | 6½-7 | 6⅛-6½ | 6½-6⅞ | 5⅝-5⅝ | 3⅝-3⅞ |

Longer-term Eurodollar deposit rates were quoted nominally as follows: two-years 7-7½ per cent., three-years 7¼-7¾ per cent., four-years 7¼-7¾ per cent., and five-years 7½-8¼ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 5⅛-5⅜ per cent., three-months 6⅛-6¼ per cent., six-months 6⅜-6⅝ per cent., one-year 6⅛-6⅝ per cent.

◇ Rates are in some cases nominal.

‡ Short-term rates are call for Sterling, U.S. dollars and Canadian dollars, and two-day's notice for Guilders, Marks and Swiss francs.

### FOREIGN EXCHANGES

| Oct. 25 1971 | Bank Rate % | Market Rates Day's Spread |
|---|---|---|
| New York | 5 | 2.48-2.49⅛ |
| Montreal | 4¾ | 2.49¼-2.49⅞ |
| Amst'dam | 5 | 8.54½-8.58½ |
| † Brussels | 5½ | 118.50-118.70 |
| Copenh'gn | 7½ | 18.08-18.11 |
| Frankfurt | 4½ | 8.28-8.35 |
| ⊕ Lisbon | Δ5¾ | 68.00-68.60 |
| Madrid | ††6 | 170.50-171.25 |
| Milan | 4½ | 1,524-1,528 |
| Oslo | 4½ | 17.06-17.10 |
| † Paris | 6¾ | 13.74-13.78 |
| Stockh'lm | 5½ | 12.48½-12.52½ |
| Toyko | 5¾ | 810-830 |
| Vienna | 5 | 59.10-60.30 |
| Zurich | 5¾ | 9.51½-9.55 |

⊕ The rate given is that quoted in London. Transactions may be made at a different rate through the Bank of Portugal. † Convertible account. Δ Bank of Portugal discount. †† Bank discount rate. ‡ Rates given are for commercial franc. Closing financial rate 13.51½.

#### OTHER MARKET RATES

| | |
|---|---|
| Argentina | ⊕12.38-12.48 |
| Australia | 2.1429-2.1514 |
| Brazil | 13.58-13.78 |
| Greece | 74.20-74.50 |
| H'ngKong | 14.530-14.614 |
| Luxemb'g | 116.45-116.55 |
| Malaysia | 7.3625-7.3950 |
| N. Zealand | 2.1367-2.1492 |
| S. Africa | 1.7697-1.7866 |
| U.S.— Canada $01=U.S. cents | 99.21-99.84 |

Note rates: Argentina, Austria, Belgium, Brazil, France, Germany, Italy, Japan, Neth'rl'n's, Spain, Switz'land, U.S.

‡ Rates quoted by specialist dealers. Other rates may be quoted elsewhere. ⊕ Commercial account. Financial not available.

#### FORWARD RATES

| | One month | Three months |
|---|---|---|
| New York | ⅛-⅛ c. dis. | ⅜-⅛ c. dis. |
| Montreal | par-¼ c. dis. | ¼-⅛ c. dis. |
| Amst'dam | par-1 c. dis. | ¼ c pm-¼ c. dis. |
| Brussels | par-20c. dis | 10c pm-10c dis |
| Copenh'n | par-3 ore dis | 4-2 ore dis |
| Frankfurt | par-1 pf. dis. | 1 pf pm-par |
| Lisbon | 10 c. pm-10 dis. | 30c pm-10c dis |
| Milan | 1½ L pm-1½ L dis | 1 lire pm-1 lire dis |
| Oslo | 5 ore pm-par | 8-4 ore pm |
| Paris | 5-5 c. pm | 15-11 c. pm |
| Stockh'lm | par-1 ore dis | 1-2 ore dis |
| Vienna | 20gro pm-20gro dis | 25gro pm-10gro dis |
| Zurich | 4-3½ c. pm | 10⅜-9⅝ c. pm |

# OVERSEAS SHARE INFORMATION

Investment $ Premium (based on $2.40 per £1) 19% (19¼%)

## NEW YORK

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| **RAILROADS** | | |
| Burlington Nthn | 42½ | 50⅞ |
| Canadian Pacific | 13½ | 13⅝ |
| Chesapeake Ohio | 51¾ | 51¾ |
| Illinois Cen. Ind. | 36⅜ | 34¾ |
| Norfolk&Western | 76¼ | 75⅛ |
| Penn Central | 3 | 3 |
| Reading | 7 | 7½ |
| Santa Fe Ind | 30½ | 30¼ |
| Southern Pacific | 41¼ | 41½ |
| Southern Railway | 86¾ | 86¾ |
| Union Pacific | 54 | 54¼ |
| **INDUSTRIALS, ETC.** | | |
| AVC | 2½ | 5⅜ |
| Acme Markets | 33⅞ | 54 |
| Addressograph | 34 | 34⅛ |
| Aetna Life & Cas. | 57¼ | 57¾ |
| Air Products | 50⅛ | 50⅛ |
| Air Reduction | 17¾ | 17⅞ |
| Alcan Aluminium | 12⅞ | 13⅝ |
| Allegheny Lud. | 12 | 20⅜ |
| Allied Chemical | 22⅞ | 29⅛ |
| Allied Mills | 12¾ | 12¾ |
| Allied Stores | 34 | 34⅝ |
| Allis Chalmers | 12¾ | 12¾ |
| A.L.C.O.A. | 46 | 46¼ |
| Amerada Hess | 43½ | 43¾ |
| Amer. Airlines | 37⅝ | 38½ |
| Amer. Brands | 41 | 41 |
| Amer. Broadcast. | 42⅜ | 42¾ |
| Amer. Can | 33¾ | 33⅞ |
| Amer. Cyanamid | 30¾ | 31 |
| Amer. Home Prod. | 20⅝ | 21 |
| Am. MetalClimax | 26½ | 27⅛ |
| Amer. Motors | 7 | 7¼ |
| Amer. Smelting | 18⅞ | 18⅜ |
| Amer. Standard | 15⅝ | 15⅜ |
| AMF | 32 | 38¾ |
| AMP | 50 | 58½ |
| Ampex | 14½ | 14⅛ |
| Anaconda | 13⅝ | 13⅞ |
| Anchor Hocking | 31¼ | 31½ |
| Anheuser-Busch | 42⅛ | 42½ |
| Armco Steel | 17⅛ | 17¾ |
| Asamera Oil | 14¼ | 14⅛ |
| Ashland Oil | 20⅛ | 21⅛ |
| Atl. Richfield | 63⅛ | 64⅜ |
| Avco | 15⅛ | 12⅛ |
| Avon Products | 25 | 23⅜ |
| Barber Oil | 42¾ | 43½ |
| Becton Dick. | 32¾ | 32½ |
| Bell & Howell | 43⅛ | 45¾ |
| Bendix | 37¾ | 32¾ |
| Benguet Mns. | 3⅝ | 5⅝ |
| Bethlehem Steel | 24⅛ | 24¼ |
| Black & Decker | 74⅝ | 74¾ |
| Boeing | 16 | 15⅜ |
| Boise Cascade | 20 | 20⅜ |
| Borden | 29 | 29¼ |
| Borg Warner | 27½ | 27⅛ |
| Braniff Airways | 15½ | 15⅛ |
| Bristol Myers S. | 53½ | 53⅝ |
| Brit. Pet. ADR | 14½ | 14¾ |
| Broadway-Hale | 45⅝ | 44 |
| Brockway Glass | 24⅜ | 24⅞ |
| Brunswick | 32⅛ | 33¼ |
| Bucyrus-Erie | 27 | 25¾ |
| Budd | 11⅝ | 11⅞ |
| Bulova Watch | 15⅞ | 17⅝ |
| Bunker-Ramo | 6¾ | 6⅞ |
| Burroughs | 132¾ | 134 |
| CPC Intern'tion'l | 29¼ | 29⅝ |
| Campbell Soup | 30 | 22⅞ |
| Canal Randolph | 16¾ | 16¾ |
| Capitol Industries | 10⅛ | 10⅝ |
| Carnation | 23⅞ | 93 |
| Carrier & General | 15¼ | 15⅛ |
| Caterpillar Tract. | 43⅛ | 43⅞ |
| Celanese | 77¾ | 77¾ |
| Cerro | 13⅝ | 13¾ |
| Certain-Teed | 42½ | 42¾ |
| Cessna Aircraft | 25½ | 23⅝ |
| Chesebr'gh Pond | 62¼ | 33 |
| Chicago Bridge | 132½ | 155 |
| Chrysler | 27⅞ | 28⅝ |
| Cinn. Milacron | 38½ | 58¾ |
| Cinerama | 3 | 3 |
| Cities Service | 43⅝ | 44 |
| City Investing | 19⅛ | 18½ |
| Coca-Cola | 102 | 110½ |
| Colgate-Palm | 52⅛ | 62¼ |
| Collins Aikman | 27½ | 28 |
| Colum. Brdcstsy. | 43¼ | 43¾ |
| Columbia Pict. | 2⅝ | 9⅝ |
| Combustion Eng. | 56 | 55⅝ |
| Comm. Solvents | 21⅝ | 21⅝ |
| Commun Satellite | 53½ | 53⅜ |
| Conwelt Oil Rel | 14⅛ | 14½ |
| Consol Foods | 45⅛ | 45⅛ |
| Continental Can. | 50⅛ | 30⅝ |
| Continental Oil | 27¼ | 27¼ |
| Control Data | 40¼ | 41 |
| Cooper Range | 21⅛ | 21 |
| Corning Glass | 172¼ | 172¾ |

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| Crane | 32 | 40 |
| Creole | 22⅝ | 22 |
| Crowell Collier | 10⅜ | 10⅝ |
| Crown Zellerbach | 32½ | 32¾ |
| Cummins Engine | 34⅞ | 33⅝ |
| Curtiss-Wright | 11¾ | 11¾ |
| Dart Industries | 42¾ | 42¾ |
| Deere | 43⅞ | 43⅝ |
| Delmonte | 24¾ | 24¾ |
| Deltona | 31⅛ | 32 |
| Disney (Walt) | 105 | 102⅞ |
| Dist'lers Seagram | 55¼ | 56¼ |
| Dow Chemical | 27¼ | 68⅛ |
| Dresser | 22⅞ | 22 |
| Dupont | 130¾ | 150⅝ |
| Eagle Picher | 24⅞ | 24⅜ |
| East Airlines | 12¼ | 12 |
| Eastman Kodak | 25⅝ | 22⅛ |
| E.M.I. | 3¾ | 3⅞ |
| Eltra | 27¼ | 27⅛ |
| Emery Air Fr'ght | 72 | 71¾ |
| Engelhard Min. | 23 | 24⅝ |
| Essex Int'l | 32½ | 32⅝ |
| Ethyl | 21⅞ | 21⅝ |
| F.M.C. | 23½ | 28 |
| Factor (Max) | 34⅜ | 34¾ |
| Fairchild Camera | 32 | 31¾ |
| Fed. Dep. Stores | 44½ | 44⅝ |
| Firestone Tire | 52¼ | 53½ |
| Flintkote | 30⅝ | 31⅝ |
| Fluor | 23¼ | 23½ |
| Ford Motor | 68½ | 68⅞ |
| Foremost Mckes. | 22⅛ | 22¾ |
| Foxboro Company | 36¼ | 37 |
| Freeport Minerals | 12½ | 12⅝ |
| Fruehauf | 34 | 35⅛ |
| Fuqua Industries | 12¼ | 12¼ |
| G.A.C. | 13¼ | 13⅞ |
| G.A.F. | 20¾ | 20½ |
| Gannett | 35¼ | 35 |
| Gen. Amer. Inv. | 22⅝ | 25 |
| Gen. Amer. Trans. | 53¾ | 54⅝ |
| Gen. Cable | 16⅛ | 15⅜ |
| Gen. Dynamics | 20⅛ | 20⅜ |
| Gen. Electric | 52⅛ | 55⅛ |
| Gen. Exploration | 2 | B |
| General Foods | 52⅝ | 32⅛ |
| General Mills | 35 | 34¼ |
| General Motors | 72¾ | 72⅝ |
| General Signal | 22 | 22 |
| Gen. Tel. Elect. | 22⅝ | 26⅞ |
| General Tire | 23¼ | 22½ |
| Genesco | 28⅞ | 22⅛ |
| Georgia Pacific | 42⅞ | 42⅝ |
| Getty Oil | 77⅞ | 77⅛ |
| Gillette | 32½ | 32¼ |
| Gimbel Bros. | 35 | 35 |
| Glen. Alden | 10¾ | 10¾ |
| Goodrich (B.F.) | 31⅛ | 30⅞ |
| Goodyear Tire | 30¼ | 30¾ |
| Gould | 44½ | 44⅜ |
| Grace W. R. | 22⅛ | 26⅜ |
| Grand Union | 23 | 23¾ |
| Gt. Atla. Pac. Tea | 20⅝ | 20½ |
| Grt. North Iron | 10¼ | 10½ |
| Grolier | 12 | 18⅞ |
| Gulf & Western | 25⅝ | 27 |
| Gulf Oil | 28½ | 25⅛ |
| Halliburton | 62¼ | 69¾ |
| Hanna Mining | 51½ | 51⅛ |
| Heinz H. J. | 41¾ | 41½ |
| Hewlett-Packard | 41⅝ | 41⅝ |
| Holiday Inns | 42⅛ | 42⅜ |
| Homestake Ming. | 20⅝ | B17⅛ |
| Honeywell | 109⅛ | 110¾ |
| Hoover | 32 | 56¼ |
| INA | 48¼ | 48¾ |
| Ingersoll Rand | 32⅜ | 52⅛ |
| Inland Steel | 22½ | 28⅝ |
| Insilco | 12 | 18¼ |
| IBM | 302 | 301⅝ |
| Intl. Chem. Nuc'r | 22⅞ | 22⅛ |
| Intl. Flavor | 71 | 71 |
| Int. Harvester | 24⅛ | 24⅞ |
| Intl. Holdings | 13⅛ | 13⅞ |
| Int. Min. & Chem | 12⅛ | 12 |
| Intl. Nickel | 27⅜ | 27 |
| Intl. Paper | 31⅞ | 32 |
| Int. Tel & Tel | 51⅝ | 52 |
| Interstate Strs. | 11 | 11 |
| Inv. Funding A | 10⅝ | 10¾ |
| Iowa Beef | 23⅛ | 23¾ |
| Jim Walter | 32⅞ | 40½ |
| Johns Manville | 41⅝ | 42 |
| Johnson Johnson | 89⅝ | 92¾ |
| Johnson Service | 31¼ | 51¾ |
| Jones & Laughlin | 13⅞ | 13⅝ |
| Joy Manufactu'g | 54⅛ | 54 |
| Kaiser Al'min'm | 22⅝ | 22½ |
| Kaiser Industries | 2½ | 8⅝ |
| Kaiser Steel | 12¼ | 12½ |
| Kennecott | 25½ | 23⅝ |
| Kerr McGee | 39⅛ | 40⅛ |
| Kidde (Walter) | 27 | 27¾ |
| Kimberly-Clark | 26½ | 27⅝ |
| Kinney Natl. | 52 | 32⅝ |
| Koppers | 54¼ | 34¼ |
| Kraftco | 41⅝ | 41⅞ |
| Kresge | 91¼ | 90⅞ |
| Kroger Co. | 30¼ | 30 |
| Lerner Stores | 44⅛ | 43⅛ |
| Levi Strauss | 43 | 42⅞ |
| Libbey Ow. Ford | 50¼ | 30¾ |
| Libby, McNeil | 9⅛ | 2 |
| Liggett&Myers B | 48¾ | 48⅛ |

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| Ling-T'mco-Vght | 10⅛ | 10¾ |
| Litton Indus. | 22¼ | 22¾ |
| Lockheed Aircr. | 2½ | 2½ |
| Lone Star Cem. | 20¾ | 21⅛ |
| Louisiana Land | 43⅛ | 43⅞ |
| Lubrizol | 47⅞ | 48⅜ |
| Lucky Stores | 20⅝ | 20¼ |
| L'kes-Youngstwn | 7 | 7¾ |
| MCA | 24⅞ | 25 |
| Macy R. H. | 44¾ | 45 |
| Magnavox | 20 | 50⅝ |
| Marathon Oil | 32⅝ | 32⅝ |
| Marcor | 31⅛ | 31⅛ |
| Marshall Field | 32¼ | 35⅛ |
| May Dept. Stores | 45¾ | 45¾ |
| McDermott | 33¼ | 33 |
| McDonnell Doug. | 25¾ | 27 |
| McGraw-Hill | 12¼ | 12¾ |
| Memorex | 51⅛ | 31¼ |
| Merck | 111 | 111 |
| Merrill Lynch | 33½ | 33⅛ |
| MGM | 17⅛ | 17¾ |
| Minn. Min & Mfg. | 121⅞ | 121⅜ |
| Mobil Oil | 51⅛ | 51⅝ |
| Monsanto | 45¼ | 46⅝ |
| Motorola | 73½ | 72½ |
| Murphy Oil | 29¾ | 22½ |
| Nalco Chemical | 54 | 54¼ |
| Nabisco | 50¼ | 50¾ |
| National Can | 12⅛ | 17 |
| Natl. Cash Rg. | 28⅝ | 29⅛ |
| Nat. Distillers | 14¾ | 15⅛ |
| National Lead | 14¼ | 14½ |
| Nat. Service Ind. | 27¼ | 27¼ |
| National Steel | 36¼ | 32⅛ |
| Natomas | 63 | 20¾ |
| Neptune Meter | 14⅞ | 14⅛ |
| New England Tel | 33⅝ | 33⅝ |
| Niagara Share | 15 | 15¾ |
| N.AmerRockwell | 25¼ | 25 |
| Nthwest Airline | 33 | 32½ |
| Occidental Petrol | 14⅛ | 14⅛ |
| Ogilvy Mather | 34¼ | 34¼ |
| Olin | 12 | 18¼ |
| Otis Elevator | 40¾ | 40⅞ |
| Owens-Corning | 52½ | 52¾ |
| Owens-Illinois | 48 | 48 |
| PPG Industries | 32⅞ | 40 |
| PacCoast Prop. | 3½ | 3¼ |
| PanAm World Air | 11⅝ | 11⅝ |
| Parker Hannifin | 41⅝ | 41⅞ |
| Penney J. C. | 63¾ | 33½ |
| Pennzoil United | 23⅝ | 23⅝ |
| Peoples Drug | 23⅞ | 23⅞ |
| Pepsico | 51⅛ | 21 |
| Pergamon | †3½ | 13½ |
| Perkin-Elmer | 46⅝ | 61 |
| Pet | 42½ | 42⅞ |
| Pfizer | 37⅝ | 37⅛ |
| Phelps Dodge | 32¾ | 32⅝ |
| Philip Morris | 51 | 51⅛ |
| Phillips Petrol'm | 22¼ | 22⅛ |
| Pillsbury | 46 | 46½ |
| Pitney Bowes | 21⅛ | 21⅛ |
| Pittston | 32⅜ | 39⅛ |
| Plessey Ltd ADR | 2 | 2⅛ |
| Polaroid | 90⅝ | 90⅝ |
| Proctor Gamble | 69½ | 62¾ |
| Pullman | 48⅝ | 46 |
| Purex | 12 | 18 |
| Quaker Oats | 41⅛ | 42 |
| RCA | 33 | 32⅞ |
| Raytheon | 34⅝ | 33⅝ |
| Republic Steel | 22 | 22⅛ |
| Revlon | 65½ | 63⅞ |
| Reynolds Metals | 17¾ | 17⅞ |
| Reynolds RJ Ind. | 54⅝ | 54¾ |
| Rich-Merrell | 63¾ | 64⅝ |
| Roan Selection T. | 5⅝ | 3⅝ |
| Rohm & Haas | 104⅛ | 104⅞ |
| Royal Dutch | 57¼ | 37⅞ |
| Russ Togs | 20 | 20⅛ |
| Safeway Stores | 34 | 33⅛ |
| St. Joe Minerals | 20¼ | 20½ |
| St. Regis Paper | 34 | 34 |
| Saxon Ind. | 12⅛ | 19⅝ |
| Schlitz Brewing | 95 | 95⅛ |
| Schlumberger | 131½ | 133 |
| Scott Paper | 16⅝ | 16⅞ |
| Scovill Mfg. | 42⅛ | 49¾ |
| Searle (G.D.) | 63⅛ | 64 |
| Sears Roebuck | 99¾ | 90⅝ |
| Sedco | 37⅞ | 37⅞ |
| Shell Oil | 44¾ | 43¾ |
| Shell Transport | 34⅞ | 34⅞ |
| Signal | 17⅛ | 17¼ |
| Signode | 44¼ | 44⅝ |
| Simplicity Pat. | 133¾ | 130¾ |
| Singer | 62½ | 66⅛ |
| Skelly Oil | 40⅛ | 40½ |
| Smith Kline | 62¾ | 32⅛ |
| Solitron | 10¼ | 10¼ |
| Southdown | 41⅛ | 41½ |
| Sperry Hotch. | 40⅛ | 41¾ |
| Sperry Rand | 24 | 24 |
| Squibb | 80 | 80 |
| Standard Brands | 42¼ | 42¼ |
| Std. Oil California | 63⅛ | 39¼ |
| Std. Oil Indiana | 64⅛ | 63⅛ |
| Stand. Oil N.J. | 71⅛ | 71⅜ |
| Stand. Oil Ohio | 86¾ | 97¼ |
| Stauff Chemical | 44⅛ | 44⅝ |

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| Sterling Drugs | 46 | 46⅛ |
| Studebaker | 40 | 40 |
| Sun Oil | 52⅛ | 52¾ |
| Sundstrand | 24 | 24 |
| Swift | 35¼ | 35¾ |
| Syntex | 55⅝ | 55½ |
| T.R.W. | 51⅝ | 51⅛ |
| Technicolor | 13¼ | 13 |
| Tektronix | 33¾ | 36⅛ |
| Teledyne | 12⅛ | 12⅛ |
| Telex | 11¾ | 11⅛ |
| Tenneco | 24 | 24¼ |
| Texaco | 31⅜ | 31⅛ |
| Texas Gulf Sulph. | 13⅛ | 13⅛ |
| Texas Instm. | 108⅛ | 103⅛ |
| Time | 36½ | 37 |
| Times Mirror | 45 | 45 |
| Timken | 41 | 41⅛ |
| Trane | 72 | 72 |
| Transamerica | 17 | 17 |
| Trans. World Air | 36 | 36⅝ |
| Travelers | 35⅞ | 36 |
| 20th Cent. Fox | 8¾ | 2⅞ |
| UAL | 32¾ | 32⅛ |
| USM | 12⅝ | 12⅜ |
| UARCO | 26¼ | 26¼ |
| Unilever Ltd. | 30¼ | 30¼ |
| Unilever N.V. | 31⅛ | 32⅛ |
| Union Carbide | 40⅝ | 40⅛ |
| Union Oil Calif. | 31⅜ | 30⅞ |
| Uniroyal | 12⅞ | 12⅞ |
| United Aircraft | 30⅛ | 30⅜ |
| United Brands | 12¼ | 12⅜ |
| U.S. Freight | 28 | 28 |
| U.S. Gypsum | 57⅞ | 37¼ |
| U.S. Shoe | 23¾ | 23¾ |
| U.S. Smelt. Ref. | 21⅛ | 21⅞ |
| U.S. Steel | 28½ | 28⅜ |
| Universal Oil | 13⅛ | 13¼ |
| University Comp | 20⅝ | 20⅝ |
| Utah Cons. | 51⅜ | 52¾ |
| Walgreen | 22⅛ | 22⅛ |
| Warner-Lambert | 73 | 73 |
| Wells Fargo | 48⅛ | 48¾ |
| Westingh'se Elec. | 27⅞ | 22⅛ |
| Westvaco | 17¾ | 17⅝ |
| Weyerhaeuser | 48¾ | 42⅛ |
| Whirlpool | 25 | 25⅛ |
| White Cons. Ind. | 20⅛ | 20¾ |
| Will Ross | 34⅝ | 34⅝ |
| Woolworth | 47⅞ | 47⅛ |
| Xerox | 113¼ | 111¾ |
| Zapata Norness | 25⅝ | 26¼ |
| Zenith Radio | 43⅛ | 43⅛ |
| **PUBLIC UTILITIES** | | |
| Allegheny Power | 22¾ | 22⅝ |
| Amer. Elec. Pow'r | 22¼ | 28 |
| Amer. Nat. Gas | 33⅝ | 33⅞ |
| Amer. Tel. & Tel. | 42¼ | 42⅝ |
| Balt. Gas Elec. | 31⅜ | 31⅝ |
| Brascan | 17⅝ | 17¼ |
| Central S.W. | 43½ | 46¾ |
| Columbia Gas | 31⅝ | 32¾ |
| Com'w'lth Edison | 37⅝ | 38 |
| Con. Edison N.Y. | 25¼ | 23¼ |
| Consol Nat. Gas | 22 | 28⅝ |
| Consumers Power | 51 | 31⅛ |
| Continental Tele. | 20¾ | 21 |
| Detroit Edison | 20⅛ | 20⅞ |
| El Paso Nat. Gas | 17 | 16¾ |
| Florida Power | 44⅜ | 44⅛ |
| Gen. Public Util. | 22½ | 22⅛ |
| Greyhound | 21⅝ | 21⅜ |
| Intnl Utilities | 37 | 37¼ |
| Long Island Ltg. | 22⅞ | 22⅝ |
| New England El. | 23¼ | 23⅝ |
| Niagara Mohawk | 15 | 15¾ |
| North Nat. Gas | 47 | 47 |
| Nthn. States Pwr. | 25⅝ | 26⅛ |
| Ohio Edison | 24⅜ | 24⅝ |
| Pacific Gas | 31½ | 31⅜ |
| Pac. Lighting Co. | 23¾ | 23¾ |
| Pac. Pwr. & Lt. | 22½ | 22¼ |
| Penn Power & Lt. | 23⅛ | 26¾ |
| People's Gas | 62⅝ | 62½ |
| Philadelphia Elec | 22⅛ | 22⅛ |
| Potomac Elec. | 15 | 15 |
| Pub. Serv. Elec. | 25¼ | 25⅛ |
| Southern Cal. Ed | 22¾ | 29⅝ |
| Southern | 20⅞ | 20⅝ |
| Sthn. Nat. Gas | 43¾ | 43 |
| Texas Utilities | 59¾ | 59½ |
| United Corp. | 8 | 8 |
| UGI | 20⅝ | 20⅛ |
| Virginia Elec. | 19 | 19⅝ |
| Western Union | 44 | 43⅝ |
| Wisconsin Elec. | 22¾ | 22⅝ |
| **TRUSTS, BANKS & BONDS** | | |
| Americ'n Express | 109½ | 106¾ |
| Amer. S.A. Inv. | 38 | 38⅞ |
| Bank America OP | 52⅜ | 22⅛ |
| Bankers Tr. N.Y. | 33⅝ | 53¼ |
| Chase Manhattan | 53⅞ | 52¾ |
| Chemical Bk. NY | 53⅛ | 53 |
| Chile 3% 1993 | †47.0 | †48.0 |

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| Crocker Nat. G.P. | 33¾ | 33⅝ |
| Dividend Shares | †3.50 | †3.51 |
| 1st Nat. Boston | 66½ | 65½ |
| Fst. Nat. City Cpn | 41 | 41¼ |
| Mfrs. Hanover | 30⅛ | 30¾ |
| Marine Midland | 31⅝ | 31⅝ |
| Morgan J. P. | 68¼ | 68¼ |
| Northwest Bancn | 33¼ | 33⅝ |
| Peru 3% 1997 | †32 | †60 |
| Tri-Continental | 27⅝ | 27⅝ |
| U.S. Bancorp | 32⅝ | 32½ |
| U.S. 90 day bills | — | 4.41% |
| U.S. Treas 4½% 1974 | — | †97½ |
| U.S. Treas 4% 1980 | — | †82⅜ |
| US Treas 4¼% 75/85 | — | †77⅜ |
| Western Bancorp | 30 | 31 |
| [illegible] | 40½ | 40½ |

## TORONTO

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| BP Oil & Gas | 5.25 | 6.22 |
| Bovis | 1.35 | 1.55 |
| Calgary Power | 24 | 24¼ |
| Can. Super Oil | 32 | 37¾ |
| Canadar Asbestos | 12¼ | 12¼ |
| Central 'del Rio | 15 | 15 |
| Chieftain Dev. | 8.00 | 8.00 |
| Cominco | 19¾ | 12¾ |
| Consumer Gas | 12 | 12⅛ |
| Denison Mines | 20 | 20 |
| Dist. Seagrams | 32⅛ | 32¾ |
| Dome Mines | 32½ | 68¾ |
| Dome Petroleum | 30⅛ | 31⅞ |
| Falconb'ge Nick'l | 70 | 73¼ |
| Ford Motor Can. | 81 | 82 |
| GiantYell'wknife | †7.30 | 7.30 |
| Gt. Plain Dev. | 31¼ | 31¼ |
| Gulf Oil Canada | 24⅞ | 24⅞ |
| Hollinger | 33⅛ | 35½ |
| Home Oil 'A' | 32 | 31⅞ |
| Hudson Bay Mng | 12¼ | 12 |
| H'dsonB Oil&Gas | 42¾ | 42¾ |
| I.A.C. | 12½ | 19¾ |
| Imperial Oil | 26⅝ | 26⅞ |
| Indal Canada | 7¾ | 9 |
| Inland Nat. Gas | 11⅞ | 11⅞ |
| Laur'nt Fin. Cpn. | 2⅛ | 8½ |
| Loblaw Com. "B" | 3 | 6⅛ |
| Massey-Ferguson | 10⅛ | 10 |
| McIntyre Porpne | 67 | †59⅛ |
| Moore Corpn. | 33¾ | 34¼ |
| MTS Int. Services | 3.50 | 3.20 |
| Noranda Mines | 23⅛ | 22⅜ |
| N'thern&GenGas | 13⅝ | 13⅝ |
| Numac Oil & Gas | 10¾ | 11¼ |
| Pacific Petroleum | 30⅝ | 30½ |
| Patino | 12¾ | 13⅛ |
| Place Gas & Oil | 1.02 | 1.05 |
| Placer Dev'lopm't | 17⅞ | 19⅛ |
| PowerCorporat'n | 4.35 | 4.70 |
| Ranger Oil C'nda | 11⅝ | 11⅝ |
| Rio Algom | 13 | 13⅛ |
| Shell Canada | 34⅝ | 34¾ |
| Sherritt G. Mines | 10½ | 11⅝ |
| Steep Rock Iron | 2.06 | 2.06 |
| Texaco Canada | 31¼ | 31¼ |
| Toronto Dom. Bk. | 22¾ | 24¼ |
| Trans CanPipeLn | 34 | 35¾ |
| Trans. Mount Oil | 20¾ | 21¼ |
| Union Gas | 13¼ | 13⅞ |
| United Corpn. 'B' | 12⅝ | †12⅞ |
| West CoastTrans. | 23⅞ | 23⅝ |
| Weston Geo. 'B' | 14⅛ | 14¼ |

## MONTREAL

| Stock | Oct. 25 | Oct. 22 |
|---|---|---|
| Abitibi Paper | 5 | 5 |
| AlcanAluminium | 17 | 16¾ |
| Algoma Steel | 11¾ | 11⅛ |
| Asbestos | †26¼ | †26¼ |
| Bank of Montreal | 15⅝ | 15⅞ |
| BankofNov.Scot. | 27⅝ | 27¾ |
| Bell Telephone | 44 | 44 |
| Bowater Paper | 13.60 | †3.63 |
| Brascan | 17⅝ | 17⅝ |
| Brinco | 4.85 | 4.95 |
| Canada Cement | †41¾ | 42⅛ |
| Can. Breweries | 6¼ | 9⅛ |
| Can.Imp.Bk Com | 22½ | 22¾ |
| Can. Industries | 11 | 11 |
| Can. Pacific Rly. | 12⅝ | 12½ |
| Cons. Bathurst | 6 | 9 |
| Dominion Bridge | 22 | †22 |
| Domtar | 9⅛ | 10⅛ |
| Dupont | 17½ | †17¼ |
| Hawker Sid. Can. | 2.15 | 2.25 |
| Hudson's Bay | 17¾ | 17⅞ |
| Imasco | 17⅛ | 17¾ |
| Internat'l Nickel | 27⅛ | 27 |
| Int'pr'vPipeLine | 25⅞ | 27 |
| Mc'mill'nBloedel | 20¾ | 20½ |
| Price | 5 | 5⅜ |
| Royal Bk. of Can. | 26 | 26 |
| Royal Trust | 34¾ | 36¼ |
| Simpson | †18¾ | 18¾ |
| Steel of Canada | 22¾ | 22⅞ |
| Trizec | 1.70 | †1.70 |
| Walker Hiram | 32 | 33¼ |

n Asked. * Assented. † Bid. ‡ Traded. n New stock.

## GERMANY ♠

| Oct. 26 | Price Dm | + or − | Div. % | Yld. % |
|---|---|---|---|---|
| A.E.G. | 142.5 | −1.5 | 16 | 5.6 |
| Allianz Versich. | 385 | −2 | 12 | 1.7 |
| Audi N.S.U. | 141 | −1 | y— | — |
| B.M.W. | †157 | −1.5 | 12 | 3.2 |
| Badische Anilin | 123.3 | −0.5 | 28 | — |
| Bayer | 112.5 | −0.1 | 15 | 5.7 |
| Bayer Hypo | 341.5 | +1.3 | 20 | 2.2 |
| Bayer Vereinsbk. | 291.3 | −2 | 20 | 3.4 |
| Commerzbank | 212 | −1.5 | 17 | 4.0 |
| Cont'l Gummi | 108.3 | +0.5 | 12 | 5.5 |
| Daimler | 325.5 | −2 | ±17 | 2.6 |
| Degussa | 265 | −4.2 | 20 | 3.2 |
| Demag | 163 | −1 | 15 | 4.9 |
| Deutsche Bank | 294.3 | −1.5 | 18 | 3.0 |
| Dresdner Bank | 254 | −2 | 12 | 3.3 |
| Dyterhof Z'mt | 251 | −2 | 14 | 2.8 |
| Gelsenk. Berg | 90 | −0.1 | 8 | 4.4 |
| Glanzstoff | 245 | | 12 | 5.4 |
| Gutehoffnung | 132.2 | −4.5 | 14 | 5.0 |
| Hapag Lloyd | 94 | −1 | 10 | 5.3 |
| Harpener (Dm150) | 252 | −3 | 2 | 3.3 |
| Hoechst | 130.5 | −0.7 | 20 | — |
| Hoesch | 56.2 | −0.3 | ±12 | 8.9 |
| I.G. Farben (Liliq) | 2.2 | −0.15 | — | — |
| Karstadt | 319 | −1.5 | 20 | 3.1 |
| Kaufhof | 232.5 | −4.5 | 20 | 4.3 |
| Klockner (Dm100) | 109 | −1 | 12 | 5.5 |
| Klock. Humboldt | †111.5 | −1.4 | 15 | 7.2 |
| Kr'ss Maffei D100 | 670 | −15 | 19.2 | 2.8 |
| Krupp (Dm100) | 133.1 | +0.1 | 10 | 7.4 |
| Kundenkredit Bk. | 383 | | 20 | 2.5 |
| Linde | 217 | −3 | 17 | 3.2 |
| Lowenbrau Dm100 | †2,900 | | 80 | 0.7 |
| Lufthansa | 63.2 | −0.5 | 5 | 3.2 |
| M.A.N. | 164 | −2 | 18 | 5.5 |
| M'esmann (Dm100) | 141 | +0.5 | 12 | 8.3 |
| Metallges'llschaft | 290 | −5 | 12 | 3.3 |
| Munch. Ruckvers. | †408 | | ±12 | 1.2 |
| Neckermann | †93.6 | −1.2 | 5 | 3.2 |
| Preussag (Dm100) | 140 | −0.5 | 7 | — |
| Rheinstahl Dm100 | 74.1 | +0.2 | 5 | 5.2 |
| Rhein. West Elekt | 160.2 | −2.5 | 16 | 5.0 |
| S'ckerFrth Om100 | 122 | +1.5 | 10 | — |
| Schering | 410 | +0.3 | ±20 | 2.4 |
| Schultheiss | †377 | −4 | 20 | 2.5 |
| Siemens | 185.6 | −1.5 | 12 | 4.3 |
| Sudzucker | 263.3 | | 18 | 3.4 |
| Thyssen | 82.2 | +0.1 | 14 | — |
| Vereinsbank | 265 | −2 | 12 | 3.4 |
| Volkswagen | 131.2 | −0.5 | 18½ | 7.0 |
| Wintershall | 124 | | 19.8 | 2.0 |
| Zeiss-Ikon | 174 | | 20 | 6.2 |

## AMSTERDAM

| Oct. 25 | Price Fls. | + or − | Div. % | Yld. % |
|---|---|---|---|---|
| AKZO (Fl.20) | 52.6 | −2.1 | 20 | 5.4 |
| Algemene Bk. Ned | 260 | +0.5 | 17 | 6.3 |
| Amst. Rot. (F.120) | 86.5 | +0.2 | 17 | 5.0 |
| Van Berkel's Pat. | 172 | −2 | 14 | 7.2 |
| Bijenkorf (Fls20) | 76.2 | −0.8 | 18 | 4.7 |
| Bols Westm. (F110) | 80.2 | −2.3 | ±45 | 2.2 |
| Elsevier (Fl.20) | 357 | −5 | 22½ | 1.3 |
| Gist-Brocades (F10) | 50.7 | −0.3 | 22 | 4.4 |
| Hambro Intl (F50) | 84.5 | −0.2 | ±3 | 1.8 |
| Heijn (Alb'rt) (Fl.20) | 144.3 | −0.2 | ±22 | 3.1 |
| Heinekens (Fl.25) | 214.7 | −0.4 | 14 | 1.6 |
| Holland Fund | 552 | +17 | 25.20 | 4.5 |
| Hoogovens (Fl20) | 57.5 | −1 | 20 | 6.2 |
| R'nte. Doug'ls 35c | C$15.75 | | — | — |
| K.L.M. | 113 | | 7 | 6.2 |
| Inter Muller (F20) | 47.5 | −0.3 | 12 | 7.5 |
| Narden Che (F10) | 54 | +1.3 | 14 | 5.3 |
| Nat. Ned Ins'r'nce | 58.5 | −1.2 | 20 | 3.4 |
| Ned. Mid. Bk (F50) | 106.2 | −0.3 | 12 | 5.7 |
| NEFO (Fls50) | 20.3 | +0.3 | 2 | 6.2 |
| Nijver T. Cate | 52 | +1 | — | — |
| OCB (Fl 20) | 147.5 | −2 | 25 | 6.3 |
| Van Ommeren | 248.5 | +0.3 | ±20 | 2.0 |
| Philips (Fl 10) | 32 | −0.5 | 17 | 5.3 |
| Rijn Scheld | 163.2 | | ±14 | 8.2 |
| Robeco (Fls.50) | 216.5 | −1.5 | 23.2 | 5.3 |
| Rolinco (Fls.50) | 132.2 | −1.4 | 5 | 2.0 |
| RoyalDutch (Fl.20) | 124.8 | −1.7 | 36½ | 6.7 |
| TokyoOspHigs ($1) | US$77.1 | | — | — |
| Unilever (Fls.20) | 105.3 | −2.1 | 27.1 | 3.1 |
| Utilico (Fls.50) | 116.7 | −0.2 | 9.2 | 4.2 |
| Valeurop | 65.4 | −0.2 | 3.58 | 5.4 |

## OSLO ♦

| Oct. 25 | Price Kroner | + or − | Div. Kr. | Yld. % |
|---|---|---|---|---|
| Amerikalinje | †175 | | 12½ | 7.1 |
| Bergens Privat Bk | †116 | +1 | 7 | 6.2 |
| Berg. Dampskib | †122.5 | | 7 | 5.7 |
| Borregaard | †112 | +2 | 2 | 7.1 |
| Brougaard Kr550 | †2,331 | | 50 | 2.3 |
| Chris Spigerverk | †340 | | 12 | 3.5 |
| Creditbank | †135 | | 9 | 6.2 |
| Dalfonn Kr1000 | †2,500 | −100 | 200 | 8.0 |
| Elkem A/S Kr50 | †222.5 | +2.5 | 8½ | 3.9 |
| Follum Kr1000 | †105 | | 8 | 0.7 |
| Gafslund | †240 | | 8 | 3.6 |
| Kosmos | †715 | | h100 | 14.0 |
| Kreditkasse | †135 | | 10 | 7.4 |
| NorskHyd'nKr80 | †260 | +10 | 10.8 | 1.1 |
| Orkla Grube | †500 | | 12 | 2.4 |
| Storebrand | †127.5 | | 2 | 5.7 |

NOTES: Belgian dividends are shown after withholding tax.
♦ DM50 denom. unless otherwise stated.
♦ Kr.100 denom. unless otherwise stated.
♦ F 500 denom. unless otherwise stated.
⊕ F 500 denom. unless otherwise stated.

## PARIS

| Oct. 25 | Prices Frs. | + or − | Div. Frs. | Yld % |
|---|---|---|---|---|
| Air Liquide | 348 | −7.3 | 10.23 | 2.2 |
| Aquitaine | 555 | −6 | 16.64 | 2.4 |
| BanqueInd. Chine | 232 | −7.5 | 2.09 | 3.9 |
| Beghin | 147.1 | | 7.59 | 6.0 |
| Bonssois Souchon | 250 | −24 | 21.59 | 2.3 |
| Charter Cons. | 24 | −0.2 | g32 | 4.3 |
| Chargeurs Reunis | 186.1 | +1.3 | 2.09 | 4.2 |
| Ciments Lafarge | 178.1 | −4.3 | 18.82 | 5.0 |
| Citroen | 76.5 | | | |
| Cie Fr. Petrole | 184.2 | −5 | 6.68 | 3.5 |
| Cie Gen. d'Elect. | 320 | −10 | 15.25 | 3.2 |
| Co'pagnie ruNord | 32.95 | −0.15 | 2.50 | 6.3 |
| Cons. GoldFld (25p) | 22.7 | −1.5 | g21.2 | 4.5 |
| Credit Foncier | 370 | +8 | 17.04 | 4.5 |
| De Beers Df. (25p) | 24.5 | −0.55 | g280 | 4.4 |
| Denain Longwy | 126.3 | −1.3 | 7.85 | 2.2 |
| Dunlop | 72.1 | | 3.41 | 4.7 |
| Esso Standard | 115 | −2 | 4.54 | 5.2 |
| Gal. Lafayette | 135.1 | −1.2 | — | — |
| La Nickel | 120 | −3.3 | 6.59 | 5.5 |
| L'Oreal | 1,530 | −33 | 18.18 | 1.1 |
| Machines Bull | 62.4 | −0.3 | — | — |
| Michelin "B" | 1,133 | +5 | 15.34 | 1.3 |
| Paribas | 211.5 | −0.4 | 2.57 | 4.5 |
| Pechiney | 140 | | 9.09 | 2.6 |
| Peugeot (Frs. 70) | 228.1 | −0.2 | 7.95 | 3.5 |
| Printemps | 135 | −5.1 | 1.90 | 1.4 |
| Redoute | 405.1 | −2.2 | 2.08 | 3.2 |
| Rhone Poulenc | 170.1 | −1.4 | 2.25 | 6.7 |
| R.T.Z. (25p) | 25.2 | −0.7 | g24 | 5.1 |
| RoyalDutch Fl.25 | 203 | −3.1 | g36¼ | 5.3 |
| Saint Gobain | 120.6 | −1.2 | 6.36 | 2.3 |
| Shell (Bearer) (25p) | 46.05 | −0.85 | g59 | 4.3 |
| Soc. Nat. d'Inv. | 513 | −2 | ±14.58 | 4.5 |
| Suez | 280 | −8 | 11.5 | 4.1 |
| Thompson—CFS | 24 | −1.5 | 2.84 | 3.4 |
| Thomson Houston | 27.2 | −1.4 | 4.54 | 4.5 |
| Ugine Kuhlmann | 153.2 | +0.2 | 10.23 | 6.7 |
| Union Corp. (64c) | 12.2 | +0.15 | g122 | 2.0 |
| Usinor | 32 | −1.5 | 2.82 | 7.4 |
| Wendel Sidelor | 55 | −1.9 | 7.98 | 14.3 |

## BRUSSELS

| Oct. 25 | Price Frs. | + or − | Div. Frs Net | Yld. % |
|---|---|---|---|---|
| A.C.E.C. | 332 | +2 | — | — |
| Arbed | 3,250 | −15 | 400 | 10.2 |
| Banque de Brux. | 2,440 | −25 | 120 | 4.2 |
| Belge Azote | 298 | −5 | — | — |
| Cimentaries Briq. | 1,853 | −10 | 110 | 6.2 |
| Cockerill Ougree | 1,030 | +8 | y160 | 15.5 |
| E.B.E.S. | 3,472 | −5 | 150 | 5.1 |
| Esperance Long. | 1,450 | −32 | y125 | 8.5 |
| Fabrique Nat. | 1,515 | −5 | 150 | 2.6 |
| Glace St Roche | 4,255 | −20 | 245 | 5.3 |
| Hoboken | 4,150 | −30 | 248 | 5.0 |
| Innovation | 1,720 | +20 | 90 | 5.2 |
| Intercom | 1,880 | −25 | 130 | 6.4 |
| Kredietbank | 5,620 | −50 | 185 | 3.3 |
| La Royal Belge | 4,300 | −50 | 290 | 4.2 |
| Lambert L'ind. | 1,800 | +5 | 20 | 4.4 |
| Petrofina | 3,365 | +12 | 105 | 3.1 |
| PhotoGevaert | 1,640 | −30 | 50 | 3.7 |
| Pieux Franki | 6,940 | −10 | 275 | 3.5 |
| Soc. Generale | 12,100 | −175 | 572 | 5.2 |
| Soc. Gen. Banque | 2,815 | −5e | 130 | 4.2 |
| Sofina | 2,900 | −110 | 460 | 5.2 |
| Solvay 'A' | 2,400 | −10 | 132 | 2.5 |
| U.C.B. | 2,200 | | 130 | 5.7 |
| Un. Min. (1/10th) | 1,438 | −15 | 95 | 5.2 |
| Vieille Montagne | 4,240 | +50 | 280 | 5.5 |
| Wagons Lits | 640 | −20 | 30 | 4.7 |

## SWITZERLAND ⊕

| Oct. 25 | Price Frs. | + or − | Div. % | Yld. % |
|---|---|---|---|---|
| Alum. Bearer | 1,200 | −30 | 12 | 5.0 |
| Bally Holding | †1,070 | −10 | 10 | 4.7 |
| Brown Boveri 'A' | 940 | −10 | 10 | 5.5 |
| CIBA GEIGY Br | 2,640 | −55 | 22 | 0.9 |
| Do. Do. Br. Part | 2,180 | −50 | 22 | 1.0 |
| Do. Do. Reg. | 1,350 | −25 | 22 | 1.6 |
| Credit Suisse | 5,333 | −12 | 12 | 2.5 |
| Fischer Adler | 1,085 | −10 | ±12 | 5.7 |
| Fonsa (N.P.V.) | 22 | | 2.40 | 2.4 |
| Gr'pd M'gn Jel F100 | 920 | −5 | 12 | 1.2 |
| Hoffm'n-LaR N/V | 168,500 | −2000 | ±1000 | 0.9 |
| Landis&Gy (F200) | 1,370 | | 12 | 1.7 |
| Lonza | 1,230 | −15 | 9 | 2.4 |
| Nestle Bearer | 2,590 | −50 | ±68.3 | 2.5 |
| Do. Reg. | 1,710 | −20 | ±68.3 | 3.2 |
| Sandoz (F.250) | 3,975 | −25 | B6 | 1.7 |
| Saurer (Arbon) | †1,420 | | 50 | 3.5 |
| Soc. Inter. Pirelli | †213 | −5 | 12 | 5.6 |
| Swissair (Br) F350 | 485 | −10 | 6.6 | 6.2 |
| Swiss Bank Corp. | 3,450 | −10 | 18 | 2.3 |
| Un. Bank of Switz | 3,835 | | 20 | 2.6 |
| Zurich Insurance | 4,000 | | 33 | 4.1 |

## VIENNA

| Oct. 25 | Price % | + or − | Div. % | Yld. % |
|---|---|---|---|---|
| Creditanstalt | 253 | | 10 | 5.9 |
| Perlmooser | 1325 | +1 | 10 | 6.1 |
| Selecta | 795 | −2 | 46 | 5.8 |
| Semperit | 300 | | 2 | 3.0 |
| Steyr Daimler P. | 205 | | 2 | 4.4 |
| Veit Magnesit | 271 | −7 | ±12 | 4.3 |

## MILAN

| Oct. 25 | Price Lire | + or − | Div. Lire | Yld. % |
|---|---|---|---|---|
| Alitalia Priv. | 9,890 | −20 | — | — |
| ANIC | 737 | −2.3 | 50 | 6.7 |
| Bastogi | 1,722 | −12 | 85 | 4.2 |
| Breda | 4,580 | −70 | 155 | 3.4 |
| Burgo | 9,010 | | 315 | 3.2 |
| Cantoni | 10,150 | −190 | 320 | 3.1 |
| CIGA | 4,718 | −35 | 100 | 2.1 |
| Oncurini | 4,700 | −40 | 300 | 8.4 |
| Dalmine | 381 | | | |
| Erba | 8,940 | −10 | 210 | 2.3 |
| Fiat | 2,105 | +25 | 120 | 3.7 |
| Do. Priv. | 1,628.2 | −0.3 | 120 | 7.4 |
| Finsider | 348.3 | −1.5 | 37½ | 10.7 |
| Gen. Imob. | 312 | −1.75 | B0 | 6.2 |
| Generali | 50,340 | +320 | 450 | 0.9 |
| Invest "B" | 2,210 | −5 | 140 | 6.4 |
| Italcementi | 21,210 | +30 | 500 | 2.2 |
| Italgas | 299 | | 55 | 7.2 |
| Italsider | 417 | +2 | — | — |
| La Centrale | 5,213 | +150 | 350 | 2.0 |
| Marelli Ercole | 498 | +2 | 35 | 7.0 |
| Mediobanca | 35,520 | −250 | 1,100 | 1.7 |
| Mondadori Priv. | 2,350 | | 120 | 6.1 |
| Montecatini Edis | 723 | +2.75 | — | — |
| Motta | 2,565 | +5 | — | — |
| Olivetti (Priv.) | 1,532 | −11 | 85 | 5.2 |
| Pirelli & C. | 1,870 | −20 | 105 | 5.5 |
| Pirelli S.p.A. | 1,590 | −17 | 110 | 6.3 |
| R'un. A'dtica Sic. | 30,870 | +170 | 500 | 1.0 |
| Rinascente | 247.5 | −0.5 | 2 | 3.2 |
| Rumianca | 732 | | — | — |
| S.A.F.F.A. | 5,549 | −1 | 130 | 3.7 |
| S.T.E.T. | 2,730 | +25 | 155 | 6.5 |
| Snia Viscosa | 1,270 | +12 | — | — |
| Sviluppo | 1,848 | +27 | — | — |

## TOKYO

| Oct. 25 | Price Yen | + or − | Div. % | Yld % |
|---|---|---|---|---|
| Asa'hi Glass | 154 | | 14 | 4.2 |
| Canon | 151 | | 15 | 5.0 |
| Chubu ElecPower | 724 | −9 | 10 | 5.2 |
| Fuji Photo Film | 377 | +11 | 15 | 2.0 |
| Hitachi | 90 | −2 | 12 | 5.7 |
| Honda Motor | 125 | +5 | 12 | 4.9 |
| C. Itoh (Trading)* | 138 | +1 | 12 | 4.4 |
| Japan Air Lines | 1,650 | | 2 | 8.5 |
| Kansai Elect. Pwr. | 725 | +5 | 10 | 6.2 |
| Matsushita Elect. | 412 | +3 | 20 | 2.4 |
| Mitsubishi Heavy | 74 | | 12 | 8.1 |
| Mitsubishi Shoji | 123 | +1 | 13 | 6.3 |
| Mitsui & Co. | 135 | −1 | 14 | 8.1 |
| Mitsukoshi | 388 | −5 | 18 | 2.3 |
| Nissan Motors | 172 | | 12 | 4.5 |
| Shiseido | 885 | +21 | 25 | 1.4 |
| Sony | 2,630 | −20 | 30 | 0.2 |
| Taisho Marine | 295 | +2 | 11 | 1.9 |
| Takeda Chemical | 185 | −2 | 17 | 4.6 |
| Teijin | 68 | | 12 | 8.2 |
| Tokio Marine | 358 | | 13 | 1.2 |
| Tokyo Elect. Pwr. | 750 | −12 | 10 | 6.2 |
| Toshiba | 58 | | 12 | 10.3 |
| Toray | 22 | | 15 | 2.6 |
| Toyota Motor | 340 | +5 | 15 | 2.4 |

Source Nikko Securities, Tokyo. * Osaka Exchange.

## STOCKHOLM

| Oct. 25 | Price Kroner | + or − | Div. Kr. | Yld. % |
|---|---|---|---|---|
| Alfa Laval "B" | 225 | −2 | 9 | 4.0 |
| Asea | 235 | +1 | 10 | 4.3 |
| Atlas Copco | 202 | | 5 | 2.4 |
| Billerud | 110 | +1 | 8.5 | 7.7 |
| Bofors | 81 | −2 | 8 | 9.9 |
| Cardo | 132 | | 10 | 7.2 |
| Cellulosa | 22 | +1 | 6 | 2.7 |
| Electrolux "B" | 143 | | 8 | 5.5 |
| Ericsson 'B' (Kr.50) | 269 | −1 | 5.5 | 2.0 |
| Fagersta | 91.2 | +4.5 | 5 | 5.6 |
| Granges (free) | 152 | +2 | 12 | 7.9 |
| Handelsbanken | 175 | | 11 | 6.3 |
| Marabou | 206 | | 10 | 4.9 |
| MoOchDomsjo 'B' | 112 | +1 | 8 | 7.1 |
| S.K.F. "B" | 395 | | 12 | 3.1 |
| Sandviken | 308 | −3 | 7 | 2.3 |
| Skand. Banken | 125 | | 12 | 9.1 |
| Tandstick B (Kr50) | 157 | | 6 | 3.7 |
| Uddeholm | 76.5 | +1 | 7 | 8.2 |
| Volvo (Kr50) | 203 | +2 | 4 | 2.0 |

## COPENHAGEN

| Oct. 25 | Price % | + or − | Div. % | Yld. % |
|---|---|---|---|---|
| Burmeister & W. | 60½ | −¼ | — | — |
| Dan. Landmandsb. | 137¼ | −¼ | 10 | 7.3 |
| Dan. Provinsbank | 143¾ | | 10 | 9.2 |
| Dan. Sukkerfab. | 223 | −¾ | 15 | 9.7 |
| Superfos A.S. | 196½ | +2¼ | 12 | 6.1 |
| East Asiatic Hld. | 184½ | −2¾ | 15 | 8.2 |
| Finansbanken | 133¼ | | 11 | 7.2 |
| For. Bryggier. | 223⅛ | −1 | 16 | 2.0 |
| For. Dampskib. | 76¼ | −1½ | 6 | 7.2 |
| For. Papirfabrik. | 133 | −1¼ | 10 | 7.5 |
| Ot. NorthernHld. | 119¾ | −1¾ | 10 | 2.3 |
| Nord Kabel | 167¾ | +⅛ | 12 | 2.0 |
| Oliefabrik | 265 | −1½ | 16 | 6.0 |
| Privatbank | 148¼ | | 10 | 5.7 |

§ Yen 50 denom. unless otherwise stated. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issues. k After local taxes. m % tax free. n Francs: including $3 Unilac div. p Net. s Div. and yield exclude special payment. t Indicated div. u Merger pending. * Asked. † Bid. ‡ Traded. ‡ Seller. u Unofficial trading. z Assumed. xr Ex-rights. q Share split.

## AUSTRALIA

| Oct. 25 | Au $ |
|---|---|
| Acrow Australia | 1.40-1.56 |
| AdelaideBrightonCem't 50c | †1.50 |
| Alkane Exploration | †0.16 |
| Ampol Exploration | 0.98-1.01 |
| Ampol Petroleum | 0.58-0.60 |
| Assoc Minerals | †4.70 |
| Assoc. Portland Cement | 0.86-0.89 |
| Assoc. PulpPaper ($1) | †1.13 |
| AUSTIM | 1.13-1.15 |
| Aus. Con. Industries | 1.57-1.58 |
| Aust. Oil & Gas | †0.90 |
| Blue Metal Ind | 1.40-1.41 |
| British Tobacco ($1) | 2.05-2.15 |
| Broken Hill Proprietary | 10.55-10.60 |
| Broken Hill South | 2.05-2.08 |
| Carlton United Brewery | 3.73-3.75 |
| C.J. Coles | 0.85-0.87 |
| Colonial Sugar Refin. ($1) | 4.42-4.50 |
| Cons Goldfields Aust. | 5.20-5.30 |
| Container ($1) | 2.10-2.15 |
| Conzinc Riotinto | †5.60 |
| Custom Credit | 1.55-1.65 |
| Dunlop Rubber ($1) | 1.13-1.15 |
| Elder Smith Gold M. ($1) | 1.45-1.46 |
| Esperance Minerals | 0.05-0.04 |
| E. Z. Industries | 2.72-2.74 |
| F. & T. (25 cents) | 0.92-0.94 |
| Hamersley Hlds. | 2.58-2.60 |
| Hooker | 0.27-0.28 |
| I.C.I.A.N.Z ($1) | 1.45-1.48 |
| I.A.C. Holdings | 1.32-1.35 |
| I.P.C. Aust Invest | 0.65-1.0 |
| Inter-Copper N.L. (25 cents) | †0.12 |
| Jones (David) | 1.37-1.39 |
| Leichardt Exploration | †0.06 |
| Lend Leases | 2.75-2.80 |
| Magellan Petroleum | 1.30-1.50 |
| Meekatharra Minerals | 0.48-0.50 |
| Metals Exploration | †3.10 |
| Mining Finance | 0.41-0.44 |
| MIM Holdings | 2.90-2.94 |
| Myer Emporium | 3.13-3.14 |
| News | 2.35-2.40 |
| Nicholas International | 0.21-0.22 |
| North Broken Hill | 1.38-1.39 |
| Oil Search | 0.21-0.22 |
| Pioneer Concrete | 1.14-1.15 |
| Tom Piper (50 cents) | †1.30 |
| Reckitt & Colman | 3.23-4.0 |
| Repco | 1.95-1.96 |
| Seeko Nickel Contrib. | †0.12 |
| Sipos Mining & Ex. Contrib | †0.40 |
| H.C. Sleigh | 0.53-0.55 |
| Tooth ($1) | 5.04-5.06 |
| Uncobrome | 0.73-0.80 |
| Waltons | 1.11-1.12 |
| Western Mining (50 cents) | 2.45-2.48 |
| Wingellina Nickel | 0.03-0.04 |
| Woolworths | 0.74-0.75 |

## JOHANNESBURG

### MINES

| October 25 | Rand |
|---|---|
| Anglo American Corpn. | †3.90 |
| Buffelsfontein | 2.70 |
| Charter Consolidated | 3.18 |
| Consolidated Gold | 3.55 |
| Daggafontein | †0.19 |
| East Driefontein | †2.40 |
| East Geduld | 0.17 |
| Elsburg | 0.75 |
| Harmony | 1.01 |
| Kinross | †1.37 |
| Kloof | 3.60 |
| Leslie | 0.43 |
| Potgietersrust Platinum | 1.30 |
| St. Helena | †7.60 |
| South Vaal | 1.55 |
| West Witwatersrand | 2.20 |
| Union Corporation | 2.37 |
| De Beers | 2.10 |
| Blyvooruitzicht | †2.15 |
| Free State Geduld | †7.30 |
| Hartebeestfontein | †2.60 |
| President Brand | †7.00 |
| President Steyn | 13.70 |
| Welkom | †1.30 |
| West Driefontein | †12.10 |
| Western Holdings | 12.75 |
| Western Deep | †5.50 |

### INDUSTRIALS

| | Rand |
|---|---|
| Anglo-Amer. Industrials | 5.55 |
| Anglo-Transvaal Industs. | 1.12 |
| Barlow (T.) and Son | 1.52 |
| Barsab Invest. Trust | 0.37 |
| Bonus Invest. of S.A. | 0.63 |
| Guardian Assur. (S.A.) | 1.05 |
| Hill Samuel (S.A.) | 0.55 |
| National Fund Invest. | 0.29 |
| Oude Meester Cellars | 0.45 |
| Protea Holdings | 1.05 |
| Rand Mines Holdings | 0.90 |
| Rand Mines Properties | 1.53 |
| Rolco | 0.61 |
| Santam Bank | 0.52 |
| Schlesinger Real Estate | 1.50 |
| Slater Walker (S.A.) | 5.15 |
| S. African Breweries | 1.30 |
| S.A. Eagle Insurance | 1.40 |
| Trust Bank Africa | 1.08 |

† Bid. ‡ Asked.

# STOCK EXCHANGE REPORT

# uying incentive lacking and equities depressed again

## are index gives up 4.8 more at 402.6—Gilts better

UNT DEALING DATES
Option

| Declara-tions | Last Dealings | Account Day |
|---|---|---|
| Oct. 14 | Oct. 15 | Oct. 26 |
| Oct. 28 | Oct. 29 | Nov. 9 |
| Nov. 11 | Nov. 12 | Nov. 23 |

time" dealings may take place ...m. three business days earlier.

...al buyers continued to ...ck yesterday at the start ...second and final leg of the ...t. Week-end Press com... n the investment scene was ...ring and led only to ... firm features, while the ...wn in the rise in retail had no noticeable effect on ...ent. Gilt-edged turned with the help of the ½ per ...nt in Canadian Bank Rate per cent.; buying interest as small though and closing f up to 50p mostly reflected ...g up by jobbers.

...ing equities met some fairly ...e selling and gave ground ...y throughout the list. were modest, however, ...y limited to 3p; even ...r Siddeley found little fur... upport after last Friday's ...85p on the profits forecast ...ed 1p to 259p after touch... ...p. The Financial Times ...al Ordinary share index, ...s off at 3 p.m., was finally ...n at 402.6, extending its ...n the September 7 peak ... to 28.2 points, or 6½ per ... The FT-Actuaries three ...dices were all nearly 1 per ...wer.

### ...improve

...s ended at the day's lowest ...from a few cases where ...losing left them 1p or 2p ... bottom, and the tone at ...m. was cheerless on. Wall ...s continued weakness in ...day's early dealings. The ...rises ratio in FT-quoted ...rials was 5:3, the same as Friday, after fairly quiet ...g as measured by official ...gs of 12,695, a little below ...eek's daily average. The ...ines index shed 0.5 more to ...its all-time "low" of 44, ...elling by recent speculative

buyers left BP new 18p down at 80p premium.

Helped by the ½ per cent. reduction in Canadian Bank Rate, British Funds made headway in quiet trading. Medium-dated stocks improved by up to ¼, while the longs finished up to ½ better. The late announcement of an official increase of ½ to 95½ in the long "tap" stock, Treasury 8 per cent., 2002-2006, appeared to have little affect on the market. Shorts closed virtually unaltered after a very quiet day's business. Corporations improved, while Commonwealth stocks ended with mixed movements after a good two-way business. A large turnover was seen in Southern *Rhodesia 2½ per cent., 1965-70*, up 1 at 61.

In the continuing absence of any worthwhile business, the premium on investment dollars drifted down ¼ more to 19 per cent.

In New Issues, Carron showed renewed firmness at 172p, up 2p, while similar rises were recorded in Tigon, 81p, and Continuous Stationery, 60p.

### Composites depressed

There was a good deal of stock on offer in Composite Insurances and prices fell quite sharply; shares were inclined to pick up a few pence towards the House close on the appearance of a few "cheap" buyers, but falls still extended to 14p on the day, as in Phoenix, 250p. Commercial Union were finally 12p down at 450p, after 446p, and Sun Alliance, 10p lower at 498p, after 496p. Life Offices were quiet with mainly modest losses, although Legal and General ended 8p off at 296p, after 292p, and Pearl 6p cheaper at 276p. Alexander Howden declined 8p to 154p in quietly easier Lloyd's brokers.

Home Banks dipped afresh in a small business, closing only a little above the day's worst with falls of up to 12p, as in Midland, 470p. After last Friday's 18p spurt on speculative demand, Bryanston closed 3p easier at 77p, after 74p.

Breweries gave ground on scattered selling and lack of buying interest, with Bass, 120p, and Vaux, 363p, both easing 2p. Distillers shed 4p to 141½p and Teacher Distilleries reacted 8p to 237p. Buyers, however, were about for Sandeman, 4p to the good at 176p.

The recent dull trend in Contracting issues continued yesterday. Losses of 4p were sustained by *R. Costain, 204p*, and *G. Wimpey*, 299p, while Bovis, after news of the purchase of Twentieth Century Banking from First National Finance, fell 5p to 204p. Elsewhere in Buildings, Bryant Holdings shed 2½p to 52p on the profits setback, while further consideration of the interim figures left Vic Hallam another 2½p lower at 100p. Isolated firm spots included Magnet Joinery, a further 12p higher at 402p; Johnson-Richards Tiles, 7p up at 392p, and Leyland Paint, 4p better at 69p. Daleholme improved afresh to 28p, up 3p, while Dares Estates added a like amount *at 17p*.

Lankro were a prominent weak spot in a generally dull Chemical section, falling 22p to 172p on the reduced *first half-year profits*. ICI drifted lower to end at the day's lowest of 296p, down 4p, while Fisons reacted 9p to 212p.

In response to Press comment, Trident TV "A" opened higher at 65p before ending at 63½p for a net gain of 2½p. Howard and Wyndham put on 7p to 53p in a thin market, but Granada "A" lost 8p at 395p.

### Elect. leaders sold

Leading Electricals encountered a fair amount of selling and prices ended with falls ranging to 9p, as in BICC, 165p. EMI declined 3p to 159p and GEC 4p to 145p, while Plessey closed 2p off at 117p, after 116p. Elsewhere Ever Ready retreated another 6p to 203p, still reflecting the disappointing interim statement. Racal Electronic were also 6p down at 132p. Midland Electric, however, improved 3p to 94p; news of the bid from *Delta Metal* came well after market hours. Dreamland Electrical were also firm, rising 3½p to 31p in response to favourable week-end Press comment.

*Leading Stores drifted lower in idle trading in the absence of buyers.* Marks and Spencer eased 3p to 282p, while Debenhams, 227p, and GUS "A," 412p, lost 3p and 4p respectively. Mail Orders also remained out of favour with Empire Stores losing 5p more to 287p. *Trutex were a prominent* dull feature at 170p, down 13p. Crowe Wilson, on the other hand, responded to favourable Press comment with a gain of 6p at 135p. Bentalls were bought again and rose 4p more to a new peak for the year, of 100p, while Bremner advanced 3p further to 140p.

Engineerings had many dull spots, especially in the Machine Tool sector. Alfred Herbert were the subject of a "chart" sell signal and fell 5p to 45p, while losses of 6p were sustained by Staveley, 62½p, and B. Elliott, 27p. George Cohen gave up 3p more at 86p. Switching advice had an adverse impact on Edgar Pickering, down 17p at 131p, and following the results, Stothert and Pitt eased 3p to 65p. Press comment, however, brought firmness to Edgar Allen, 10p higher at 286p, *after 290p, London and Midland* Industrials, 11p better at 108p, W. H. Paul, which jumped 11p more to 60*p*, and G.H.P. Group, up 7p at 130p. In Shipbuildings, Vosper *improved* 3p further to 69p.

### Ladbroke good again

Bookmaking shares continued to forge ahead under the lead of Ladbroke, 16p higher at 370p. J. Coral gained 7p to 193p while William Hill put on 4p to 122p. Windsors (Sporting Investments) improved 3p to 103p. International Time Recording were *notable* for a rise of 17p at 140p, but losses of around 8p were seen in Beecham, 300p, "Mams," 141p, and Tremletts, 143p. Following favourable Press comment, Robert Stigwood put on 8p to 103p and B. and I. Nathan gained 8p to 73p. *Hay's Wharf gave* up 10p to 370p; news of the company's *proposed development plans came* well after market hours. Glaxo fell 10p to 378p, but James Finlay responded to the interim results with a *rise of* 3p to 273p. Johnson Matthey reacted 10p to 287p after Press comment, but buyers were about for Consolidated Commercial in front of to-day's results and the price improved 2p at 66p. Despite the increased dividend and profits, Central Manufacturing eased 1p to 58½p.

Recent speculators in Trust Houses Forte on the Allied Breweries approach became a little more nervous on news that Lord Robens had been appointed as a director and the profit-taking that ensued left the price 10p *lower at* 154p, after 152p.

Apart from Allied Suppliers, which ended 2p up at 276p, after 280p, and British Sugar, 8p higher at 373p on Press comment, Food shares tended *to fall away.*

Motors were notable for *renewed firmness in Lotus, which* responded to week-end comment and "after-hours" news of the U.S. Jensen deal, to end 7p up at 91p. In Components, Dunlop moved down with the equity leaders and lost 4p at 132p, but Crocker Bros. jumped 8p to 39p in a restricted market. Cornercroft furthered Friday's 7p rise at 46p, up 3p, while Jonas Woodhead regained 4p at 187p. Press comment influenced minor gains in Oliver Rix, 7p, Wadham-Stringer, 33½p, and Hollingdrake, 82p. Hawker Siddeley were finally a shade lower at 259p, after 264p, in *Aircrafts.*

Properties moved irregularly. Amalgamated Investment, at 357p, lost 11p of Friday's 14p rise and Regional came back 15p more to 305p, but North British gained 8p at 188p, after 193p, in a thin market. Star found support at 198p, up 3p and, on further demand encouraged by vague bid talk.

Buyers came for British Printing, 2p higher at 31p, and Oxley Printing, which improved 3½p to 27p. Press comment helped *Brunning Group harden* 2p to 107p.

### BP new down sharply

Persistent small selling orders forced down the price of British Petroleum new shares by 16p to 80p premium, the lowest since dealings began. BP old fell 8p to 590p and Burmah were similarly easier at 388p. Press comment encouraged fresh selling of Ultramar, down 12p at 252p, after 250p, while Anglo-Ecuadorian drifted back 8p to 94p. Shell, however, steadied following comment which drew attention to the low p/e multiple and regained a small early fall to end unchanged on balance at 340p.

Favourable Press comment stimulated interest in London Merchant Securities, which rose 4p to 108p in contrast to the *generally easier trend in Trusts.* Tokengate Investment were also firm, closing 6p higher at a peak for the year of 254p. Continental and Industrial declined 6p to 168p.

Leading Shippings resisted the general market malaise, prices often improving on the appearance of small buyers. Court Line featured at 171p, up 2p, on renewed speculative demand, while Furness Withy gained 6p to 320p and P. & O. Deferred 3p to 162p.

Lack of support and further small selling left Tobaccos in lower ground. "Bats" shed 3p to 210p and "Imps" ½p to 78p.

### Mines relapse

The steadier tone which was evident in Mining markets last Friday proved to be short-lived, except in the case of Australians and even they were looking a little shaky at the close. Finance issues were again among the hardest-hit owing to weakness in the *Cape* and *further adverse* Press comment here. Bear covering late in the day, however, initiated a small rally.

Selection Trust ended 43p lower at 475p and the associated CAST gave up 12p at 140p after 138p, Anglo American showed no recovery at 220p while Charter (189p after 177p) and De Beers (178p after 175p) both lost around 3p.

"Johnnies" were 25p cheaper at 900p after 875p reflecting the continued weakness of Platinum issues where Potgietersrust dropped 6p to 75p. Transvaal Consolidated Lands fell 15p to 210p.

Sentiment was similarly affected in Gold shares although the bullion price was unaltered. West Wit retreated 20p to 315p in front of the rights issue terms and both West Drie (730p) and "Ofsits" (470p) were 10p down.

Reflecting occasional bright spots in overnight markets "down-under," Australian shares opened steadily and, in one or two cases, moved higher. By the close of business, however, all the gains were eradicated and sometimes replaced by small losses.

The exception to this was Pan-continental Mining which, on further consideration of its deal with Getty Oil, rose 4p to 44p. Poseidon were unaltered at 620p after 640p and Western Mining unchanged at 135p after 162p.

## FINANCIAL TIMES STOCK INDICES

| | Oct. 25 | Oct. 22 | Oct. 21 | Oct. 20 | Oct. 19 | Oct. 18 | A Year ago |
|---|---|---|---|---|---|---|---|
| Government Sec. | 79.27 | 78.06 | 79.16 | 79.07 | 79.12 | 72.27 | 71.15 |
| Fixed Interest | 79.01 | 79.92 | 72.07 | 79.11 | 72.99 | 78.21 | 73.32 |
| Industrial Ordinary* | 402.2 | 407.4 | 404.7 | 412.4 | 415.2 | 415.7 | 353.6 |
| Gold Mines | 44.0 | 44.5 | 44.5 | 44.6 | 44.5 | 44.3 | 63.4 |
| Ord. Div. Yield pc | 3.90 | 3.25 | 3.26 | 3.79 | 6.76 | 3.75 | 4.64 |
| Earnings Yield pc (a) | 2.09 | 6.02 | 5.93 | 5.95 | 5.78 | 3.79 | 6.44 |
| P.E. Ratio (a) | 13.42 | 15.61 | 15.85 | 17.14 | 17.29 | 17.26 | 13.56 |
| Dealings Marked | 12,695 | 12,209 | 11,966 | 15,597 | 14,908 | 13,447 | 10,352 |

*10 a.m. 407.1 11 a.m. 406.7 Noon 405.6 1 p.m. 404.4 2 p.m. 404.6 3 p.m. 403.4

(a) Based on 40% corp. tax from March ... 1971. Latest Index ...

### HIGHS AND LOWS

| | 1971 High | 1971 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|
| Govt. Secs. | 79.64 (15/10/71) | 68.93 (4/1/71) | 127.4 (9/1/35) | 64.21 (11/8/...) |
| Fixed Int. | 79.37 (15/10/71) | 89.65 (4/1/71) | 150.0 (28/11/47) | 27.12 (...69) |
| Ind. Ord. | 430.8 (7/9/71) | 305.5 (3/3/71) | 521.9 (19/9/68) | 49.4 (26/6/40) |
| Gold Mines | 31.5 (...) | 44.0 (25/10/71) | 100.0 (12/3/58) | 44.0 (15/1/...) |

### S.E. ACTIVITY

| | Oct. 25 | Oct. 22 |
|---|---|---|
| Daily— | | |
| Gilt-Edged | 216.6 | 199.7 |
| Industrials | 404.5 | 403.3 |
| Speculative | 190.9 | 152.6 |
| Totals | 299.0 | 277.9 |
| 5-day ave— | | |
| Gilt-Edged | 209.6 | 207.7 |
| Industrials | 453.2 | 445.4 |
| Speculative | 173.4 | 209.7 |
| Totals | 294.4 | 297.9 |

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942. † Corrected figure.

## OFFSHORE AND OVERSEAS FUNDS (p★★★)

| | | | | § Yield % |
|---|---|---|---|---|
| **Albany Management Co. Ltd.** | | | | |
| Utility Hs. PO Box 463, Hamilton, Bermuda | | | | |
| Albany Fund Ltd. | £5.08 | £5.39 | ..... | 1.00 |
| **Amer. Express Inv. Mngmnt. Co.** | | | | |
| 154, Edward St., Brighton, U.K. BRI 665411 | | | | |
| Am Ex's Int. Fd. | $8.51 | 9.06 | -0.05 | — |
| **Eurosyndicat Group** | | | | |
| Euronion Lux F. | 1,725 | 1,782 | ..... | 3.51 |
| Finance Union Lux F. | 465 | 482 | ..... | 3.52 |
| For Sterling Dealing Prices contact London Agents N. M. Rothschild & Son, Ltd., 626 4356. Hill Samuel & Co. Ltd. 628 8011 | | | | |
| **Jardine Fleming & Co. Ltd.** | | | | |
| 22, Pedder Street, Hong Kong | | | | |
| JardineEast'nFd | HK$140.92 | ..... | | 2.95 |
| NAV Sept. 30. Next sub. day Oct. 29. | | | | |
| Jardine Japan F. | HK$133.72 | ..... | | 1.44 |
| **Save & Prosper Distributors Ltd.** | | | | |
| P.O. Box 1424, Hamilton, Bermuda | | | | |
| Dollar Fund | £4.93 | 5.42 | ..... | — |
| Hampstead | £6.15 | 6.72 | ..... | — |
| ‡Monitor | £4.43 | 4.84 | ..... | — |
| S. & P.J.J.F. | US$12.40 | 13.62 | ..... | — |
| Sterling Fund | £4.47 | 4.89 | -0.00 | — |

## AUTHORISED UNIT TRUSTS (p★★★)

## INSURANCE, PROPERTY, BONDS

# STOCK EXCHANGE DEALINGS from the Official List for Oct. 25

| | | | | | |
|---|---|---|---|---|---|
| Monday, October 25 | 12,695 | Thursday, October 21 | 11,969 | Tuesday, October 19 | 14,208 |
| Friday, October 22 | 12,209 | Wednesday, October 20 | 13,597 | Monday, October 18 | 13,447 |

The list below gives the prices at which bargains done yesterday by members of the London Stock Exchange were recorded in the Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡ Bargains at special prices. Δ Bargains done with or between non-members. ф Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Mb—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC. (1006)

INTERNATIONAL BANK STOCK (1)

CORPN. & COUNTY—U.K. (179)

PUBLIC BOARDS, ETC.—U.K.

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (72)

COMMONWEALTH CORPN. STOCKS (6)

FOREIGN STKS., BDS., ETC. (10)

U.K. AND COMMONWEALTH RAILWAYS (13)

FOREIGN RAILWAYS (4)

BANKS & DISCOUNT COS. (445)

BREWERIES & DISTILLS. (315)

CANALS & DOCKS (15)

COMMERCIAL, INDUSTRIAL (6500)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

ELEC. LIGHTING & POWER (4)

FINANCIAL TRUSTS, ETC. (255)

GAS (11)

INSURANCE (288)

INVESTMENT TRUSTS (659)

UNIT TRUSTS (8)

IRON, COAL & STEEL (9)

MINES

Australian (58)

Miscellaneous (250)

Rhod. & E. African (66)

South African (237)

West African (9)

Diamond (87)

# F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh

| EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses after sectional names show number of stocks) | Monday, Oct. 25, 1971: Index No. | Day's Change % | With 40% Corporation Tax: Est. Earnings yield % | Est. Price/Earnings Ratio | Div. yield % | Fri. Oct. 22 Index No. | Thurs. Oct. 21 Index No. | Wed. Oct. 20 Index No. | Tues. Oct. 19 Index No. | Year ago (approx) Index No. | 1971 High | 1971 Low | Since compilation High | Since compilation Low |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CAPITAL GOODS GROUP (184) | 166.05 | −0.6 | 6.11 | 16.65 | 6.84 | 167.02 | 137.96 | 169.71 | 169.90 | 128.43 | 162.00 (14/9) | 103.03 (2/3) | 181.50 (19/9/68) | 82.82 (25/5/68) |
| Aircraft and Components (3) | 128.59 | +0.3 | 8.37 | 11.94 | 4.93 | 128.20 | 116.18 | 114.44 | 115.70 | 105.62 | 126.68 (25/10) | 66.40 (5/3) | 280.12 (25/9/68) | 66.40 (3/3/71) |
| Building Materials (29) | 163.70 | −0.2 | 4.83 | 20.72 | 3.34 | 253.95 | 164.53 | 166.03 | 256.41 | 107.36 | 167.33 (14/10) | 98.30 (2/3) | 167.98 (20/9/68) | 63.01 (25/6/62) |
| Contracting and Construction (20) | 268.20 | −0.8 | 8.21 | 19.19 | 2.28 | 270.43 | 273.38 | 273.52 | 275.11 | 196.02 | 278.08 (14/10) | 182.63 (26/5) | 278.06 (14/10/71) | 84.39 (27/6/62) |
| Electrls. (ex. Electrn. Rad. & TV) (13) | 264.84 | −1.8 | 3.34 | 16.71 | 3.13 | 269.66 | 271.02 | 273.60 | 279.19 | 664.04 | 286.23 (10/9) | 174.36 (2/5) | 335.21 (17/9/68) | 84.71 (25/6/62) |
| Engineering (79) | 136.88 | −0.3 | 6.88 | 14.84 | 4.84 | 139.26 | 158.61 | 141.69 | 142.08 | 123.50 | 149.28 (28/7) | 102.56 (2/3) | 160.66 (19/9/66) | 66.90 (26/6/62) |
| Machine Tools (15) | 61.87 | −1.8 | 7.32 | 12.76 | 8.48 | 63.00 | 63.62 | 64.50 | 64.66 | 65.09 | 68.30 (13/8) | 43.86 (5/3) | 136.70 (4/7/65) | 43.86 (5/3/71) |
| Miscellaneous (25) | 131.65 | −0.3 | 7.66 | 13.05 | 4.32 | 132.07 | 132.95 | 133.48 | 133.21 | 119.88 | 136.20 (14/8) | 94.19 (2/3) | 144.27 (31/1/69) | 69.01 (8/11/66) |
| CONSUMER GOODS (DURABLE) GROUP (56) | 176.06 | −0.6 | 4.34 | 23.06 | 2.97 | 177.21 | 178.32 | 180.70 | 182.22 | 140.95 | 188.09 (23/9) | 117.33 (2/3) | 197.87 (16/1/69) | 79.16 (25/6/62) |
| Electronics, Radio and TV (14) | 180.74 | −1.1 | 4.00 | 34.43 | 2.43 | 182.66 | 183.64 | 187.28 | 190.03 | 163.51 | 186.14 (23/9) | 128.51 (2/3) | 199.88 (18/9/68) | 71.10 (6/11/66) |
| Household Goods (15) | 202.19 | −0.9 | 6.79 | 17.27 | 3.30 | 203.99 | 205.12 | 207.20 | 206.89 | 134.57 | 207.62 (15/10) | 216.06 (8/3) | 207.96 (15/10/71) | 66.65 (26/6/62) |
| Motors and Distributors (27) | 223.20 | −0.1 | 4.19 | 23.90 | 3.40 | 123.96 | 124.24 | 225.06 | 125.56 | 96.02 | 125.58 (19/10) | 73.61 (2/2) | 270.56 (15/9/66) | 75.69 (24/10/62) |
| CONSUMER GOODS (NON-DURABLE) GROUP (175) | 160.18 | −0.8 | 5.64 | 17.74 | 3.80 | 161.40 | 161.71 | 164.00 | 165.02 | 125.23 | 172.37 (14/9) | 116.17 (3/4) | 179.37 (14/9/71) | 83.71 (8/11/66) |
| Breweries (21) | 177.43 | −1.3 | 6.66 | 17.66 | 3.63 | 179.76 | 180.04 | 183.33 | 183.00 | 131.70 | 205.23 (14/9) | 183.30 (4/1) | 205.63 (14/9/71) | 80.36 (30/8/66) |
| Wines and Spirits (7) | 159.70 | −1.5 | 6.63 | 15.31 | 4.30 | 160.12 | 161.28 | 166.18 | 166.08 | 142.34 | 166.05 (14/7) | 142.41 (4/1) | 166.06 (14/7/71) | 116.76 (15/6/70) |
| Entertainment and Catering (15) | 232.36 | −1.1 | 5.68 | 17.91 | 3.12 | 234.89 | 233.71 | 237.92 | 241.53 | 184.52 | 241.53 (19/10) | 177.88 (2/3) | 241.63 (19/10/71) | 80.11 (23/7/62) |
| Food Manufacturing (24) | 141.66 | −0.3 | 5.64 | 17.73 | 8.80 | 142.16 | 142.24 | 146.12 | 145.55 | 111.10 | 149.58 (14/9) | 99.74 (2/5) | 171.54 (31/1/39) | 05.98 (15/6/70) |
| Food Retailing (17) | 156.22 | −0.3 | 6.14 | 10.44 | 3.26 | 236.64 | 166.32 | 136.55 | 166.89 | 108.43 | 160.99 (23/9) | 100.23 (2/5) | 163.88 (7/8/68) | 94.96 (27/6/70) |
| Newspapers and Publishing (15) | 163.17 | +0.7 | 3.74 | 17.43 | 4.63 | 150.06 | 131.20 | 153.16 | 154.25 | 114.03 | 166.93 (18/10) | 101.66 (13/1) | 184.86 (28/1/69) | 91.74 (23/7/62) |
| Packaging and Paper (16) | 111.93 | −0.3 | 9.86 | 14.60 | 4.64 | 112.24 | 110.68 | 114.54 | 114.77 | 109.93 | 125.27 (8/9) | 58.91 (2/3) | 154.63 (2/1/69) | 97.01 (25/6/62) |
| Stores (30) | 153.02 | −0.8 | 4.46 | 22.43 | 3.10 | 154.10 | 154.88 | 136.53 | 136.83 | 109.28 | 164.88 (24/9) | 104.48 (2/3) | 264.88 (24/9/71) | 72.74 (3/11/66) |
| Textiles (21) | 168.28 | −0.9 | 6.26 | 13.98 | 6.28 | 169.57 | 169.07 | 172.63 | 174.97 | 149.30 | 185.27 (7/9) | 137.92 (2/3) | 253.79 (17/9/68) | 89.90 (30/7/62) |
| Tobacco (3) | 209.30 | −0.8 | 10.40 | 9.60 | 6.30 | 211.26 | 612.11 | 214.77 | 220.38 | 197.63 | 254.47 (27/7) | 170.92 (20/1) | 305.02 (30/1/69) | 64.34 (13/6/62) |
| Toys and Games (6) | 53.16 | −0.0 | 0.73 | 133.24 | 2.81 | 53.64 | 54.69 | 54.07 | 31.88 | 55.98 | 69.03 (12/1) | 44.90 (9/9) | 135.72 (16/1/70) | 44.90 (9/9/71) |
| OTHER GROUPS | | | | | | | | | | | | | | |
| Chemicals (19) | 177.00 | −1.5 | 6.56 | 17.97 | 3.66 | 180.76 | 180.99 | 183.05 | 186.05 | 147.97 | 600.29 (7/9) | 139.19 (10/2) | 201.92 (31/1/69) | 83.29 (25/6/62) |
| Office Equipment (10) | 173.93 | −1.0 | 3.79 | 26.48 | 1.79 | 175.73 | 176.44 | 178.27 | 178.77 | 152.47 | 012.03 (16/7) | 163.52 (15/2) | 916.06 (16/7/71) | 109.12 (26/5/70) |
| Shipping (10) | 328.20 | +0.6 | 9.19 | 12.23 | 3.08 | 323.23 | 306.39 | 323.31 | 324.67 | 324.02 | 330.60 (7/9) | 669.76 (16/4) | 363.44 (9/10/70) | 90.90 (29/6/62) |
| Miscellaneous (unclassified) (44) | 192.37 | −0.9 | 6.58 | 17.93 | 3.59 | 192.70 | 195.69 | 196.13 | 197.60 | 139.98 | 197.62 (19/10) | 128.66 (2/3) | 297.86 (19/10/71) | 76.36 (18/11/66) |
| INDUSTRIAL GROUP (498 SHARES) | 166.31 | −0.9 | 3.50 | 17.89 | 3.66 | 167.67 | 167.98 | 170.03 | 171.37 | — | 176.61 (14/9) | 120.61 (2/3) | 176.61 (14/9/71) | 120.91 (2/3/71) |
| Oil (2) | 319.35 | −1.6 | 6.16 | 16.23 | 3.94 | 324.47 | 327.48 | 335.76 | 337.26 | 263.06 | 363.60 (27/7) | 660.74 (2/3) | 431.66 (28/5/69) | 97.23 (29/5/62) |
| 500 SHARE INDEX | 179.68 | −0.0 | 6.67 | 17.62 | 6.70 | 180.97 | 181.69 | 184.16 | 185.31 | 146.73 | 190.63 (8/9) | 136.46 (2/3) | 193.73 (31/1/69) | 64.86 (26/6/62) |
| FINANCIAL GROUP (121) | 166.72 | −1.1 | — | — | 2.92 | 168.53 | 169.91 | 172.46 | 173.08 | 122.17 | 179.46 (24/9) | 118.73 (10/2) | 179.49 (24/9/71) | 69.38 (30/8/65) |
| Banks (6) | 163.85 | −1.7 | 8.42 | 11.88 | 3.10 | 166.72 | 168.94 | 172.21 | 172.36 | 106.94 | 189.94 (27/7) | 101.65 (6/1) | 189.94 (27/7/71) | 80.25 (16/6/64) |
| Discount Houses (6) | 198.81 | −0.1 | — | — | 3.98 | 188.16 | 199.78 | 201.96 | 201.55 | 131.87 | 201.08 (14/10) | 130.72 (16/1) | 201.96 (14/10/71) | 87.65 (18/6/69) |
| Hire Purchase (6) | 282.91 | −1.2 | 4.60 | 22.21 | 9.68 | 288.06 | 289.67 | 294.76 | 293.76 | 193.21 | 306.24 (8/9) | 188.37 (18/1) | 306.24 (8/9/71) | 80.02 (3/8/66) |
| Insurance (Life) (9) | 146.46 | −0.9 | — | — | 3.11 | 147.80 | 148.80 | 161.10 | 161.40 | 124.76 | 170.47 (20/9) | 123.16 (18/1) | 170.47 (20/9/71) | 61.35 (30/8/66) |
| Insurance (Composite) (9) | 130.31 | −2.3 | — | — | 3.41 | 133.32 | 136.10 | 137.05 | 138.23 | 88.63 | 140.87 (23/9) | 88.80 (10/2) | 174.87 (23/9/71) | 54.40 (16/3/66) |
| Insurance (Brokers) (11) | 171.32 | −1.6 | 3.18 | 10.46 | 2.67 | 173.82 | 173.87 | 174.00 | 173.82 | 118.78 | 187.56 (27/9) | 118.27 (4/1) | 187.56 (27/9/71) | 82.59 (24/7/69) |
| Investment Trusts (20) | 185.14 | −0.6 | 3.05 | 62.80 | 9.87 | 186.28 | 196.88 | 189.01 | 189.40 | 165.23 | 202.53 (8/9) | 132.16 (12/3) | 216.04 (31/1/69) | 80.84 (26/6/62) |
| Merchant Banks, Issuing Houses (14) | 173.61 | — | — | — | 2.24 | 173.59 | 174.80 | 177.82 | 178.75 | 130.64 | 197.24 (24/9) | 108.44 (16/3) | 187.24 (24/9/71) | 60.47 (15/7/65) |
| Property (31) | 218.77 | +0.2 | 2.78 | 35.98 | 2.26 | 218.31 | 219.12 | 222.45 | 223.74 | 167.90 | 226.72 (26/8) | 139.37 (8/5) | 296.72 (25/8/71) | 58.01 (20/4/65) |
| Miscellaneous (9) | 188.60 | −0.6 | 6.46 | 16.31 | 4.06 | 189.58 | 190.38 | 182.31 | 193.75 | — | 185.76 (19/10) | 120.73 (4/1) | 193.75 (19/10/71) | 120.06 (31/12/70) |
| ALL-SHARE INDEX (621 SHARES) | 176.13 | −0.9 | — | — | 3.51 | 177.77 | 178.59 | 181.16 | 182.32 | 140.56 | 187.32 (8/9) | 129.47 (2/3) | 187.32 (8/9/71) | 83.72 (25/6/62) |
| COMMODITY SHARE GROUPS (Not included in the 500 or All-Share indices) | | | | | | | | | | | | | | |
| Rubbers (10) | 244.72 | −0.8 | 8.69 | 10.32 | 7.44 | 246.11 | 250.18 | 253.04 | 253.67 | 147.05 | 257.60 (14/10) | 163.62 (7/4) | 257.50 (14/10/71) | 84.68 (25/8/65) |
| Teas (10) | 101.40 | +0.4 | 16.48 | 6.07 | 8.83 | 101.02 | 100.71 | 99.76 | 99.83 | 78.66 | 101.40 (26/10) | 78.71 (3/3) | 114.64 (14/6/64) | 69.86 (14/11/66) |
| Coppers (4) | 239.38 | −3.4 | 74.18 | 1.36 | 20.64 | 247.90 | 247.80 | [illegible] | [illegible] | 252.96 | 350.50 (18/1) | 235.80 | 350.60 (12/7/71) | 94.08 (29/4/62) |
| Mining Finance (11) | 74.88 | −2.4 | 7.38 | 13.54 | 4.43 | 76.72 | 76.22 | 78.94 | 78.52 | 128.26 | 106.79 | 74.30 | [illegible] | [illegible] |
| Tins (8) | [illegible] | [illegible] | [illegible] | [illegible] | — | 74.81 | 72.75 | 73.12 | 72.66 | [illegible] | 74.77 (20/7) | 62.11 (4/1) | 106.07 (29/6/66) | 64.83 (27/5/70) |

| FIXED INTEREST | Monday, Oct. 25 Index No. | Yield % | Friday Oct. 22 | Thurs. Oct. 21 | Wed. Oct. 20 | Tuesday Oct. 19 | Monday Oct. 18 | Friday Oct. 15 | Year ago (approx) | 1971 High | 1971 Low | Since Compilation High | Since Compilation Low |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Consols 2½% yield | — | 8.58 | 8.68 | 8.68 | 8.68 | 8.67 | 6.37 | 9.48 | 9.26 | — | — | — | — |
| 20-yr. Govt. Stocks (6) | 86.14 | †7.45 | 85.78 | 85.99 | 86.35 | 86.04 | 86.35 | 86.48 | 74.38 | 86.57 (13/10) | 70.80 (4/1) | 116.48 (11/9/65) | 68.43 (15/6/70) |
| 20-yr. Red. Debentures & Loans (15) | 70.71 | †0.20 | 79.76 | 79.63 | 79.66 | 79.70 | 70.73 | 70.78 | 72.30 | 70.83 (21/10) | 68.42 (4/1) | 113.43 (23/10/63) | 66.69 (18/6/70) |
| Investment Trusts Prefs. (15) | 76.79 | 9.30 | 79.79 | 78.78 | 78.78 | 78.48 | 79.49 | 77.86 | 70.30 | 78.78 (20/10) | 66.23 (11/1) | 114.41 (13/9/63) | 66.23 (11/1/71) |
| Commercial and Industl. Prefs. (20) | 86.48 | 8.02 | 85.47 | 85.29 | 85.00 | 84.87 | 84.07 | 85.18 | 73.65 | 85.48 (25/10) | 66.02 (13/1) | 114.41 (7/10/63) | 69.02 (13/1/71) |

| Section or Group | Base Date | Base Value |
|---|---|---|
| Food Manufacturing | 29/12/67 | 114.13 |
| Food Retailing | 29/12/67 | 114.13 |
| Insurance Brokers | 29/12/67 | 96.67 |
| Mining Finance | 29/12/67 | 100.00 |
| Wines and Spirits | 16/1/70 | 144.76 |
| Toys and Games | 16/1/70 | 135.72 |
| Office Equipment | 16/1/70 | 162.74 |
| Industrial Group | 31/12/70 | 128.20 |
| Miscellaneous Financial | 31/12/70 | 128.06 |
| All Other | 10/4/62 | 100.00 |

† Redemption yield.

F.T.-Actuaries indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 360 computer.

A current list of constituents of the F.T.-Actuaries Share Indices can be obtained from the Publisher, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post inland 16p. Commonwealth 16p. Foreign 19p.

CONSTITUENT CHANGES: The following stocks have been reclassified:

| Stock | Old Classification | New Classification |
|---|---|---|
| Lloyd F. N. | Misc. Cap. Goods | Engineering |
| J. Saville Gordon | Engineering | Misc. Cap. Goods |

Hattersley Stelrad (Building Materials) has changed its name to Stelrad Group.

TRAMWAYS OMNIBUS

WATERWORKS (21)

SHIPPING (65)

TEA & COFFEE (25)

RUBBER (108)

SPECIAL LIST

OCTOBER 25

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

OCTOBER 25

Allstate Ex. 60
Austim 55Φ 4 1½
Aust. Dev. 16
Aust. Consl. Mineral Options 3
Aust. Foundation 35½
Amsterdam Rotterdam Bank 600
AKZC 000
Badische Anilin Soda Fabrik £17
Bow Valley Inds. £12⅞ 13/16 13 1/16
Banomin Ex. 4e
Bell Bros. 08
Bridon Oil 12¼
Carlton Breweries 177
Carr Boyd Minerals 11 0¼
Canadian General Invest. £31½Φ
Chieftain Dev. 305Φ 405
Ciba Geigy 7¼pc 1976-01 £62½Φ ½
Coles (G. J.) 39Φ

Selcast 50½Φ 3
Scamandar Mines e
Siemens Western Finance Opc 1085 SUS 104⅞ 5
Trans Canada Pipe Line £10½
Tara Ex. 600 6
Tokyo Tst. S.A. 640Φ
Tri Continental £13⅞
Whim Creek 155Φ 60 60 58 62
Woolworth (F. W.) £23⅛Φ ½
Woodside Od 42½
Wheelock Marden 108

(By permission of the Stock Exchange Council)

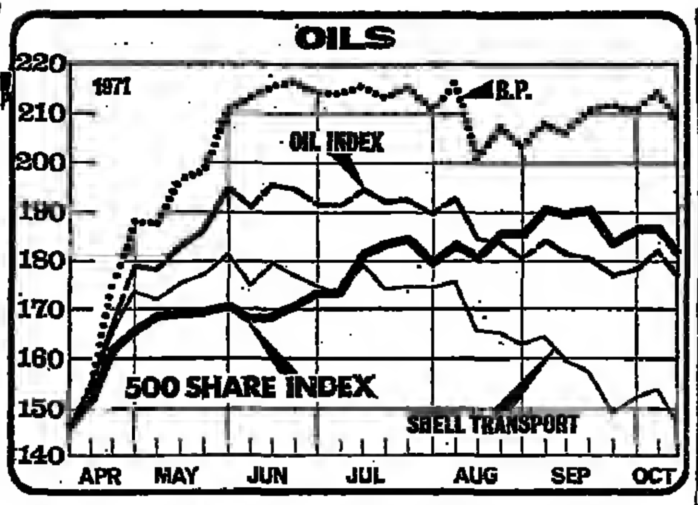
CORAL INDEX
Close 399-404 401-406 NT

## ACTIVE STOCKS

Prices in pence except where otherwise indicated.

| Stock | Denomination | No. of marks | Closing price | Change on day | 1971 high | 1971 low |
|---|---|---|---|---|---|---|
| Brit. Petrol. New | Nil pd. | 27 | *80 | −18 | *128 | *80 |
| Rio Tinto-Zinc | 25p | 15 | 188 | −7 | 270 | 184 |
| Imp. Chem. Inds. | £1 | 14 | 296 | −4 | 335 | 230 |
| Ladbroke | 25p | 13 | 370 | +16 | 370 | 122½ |
| Barclays Bank | £1 | 12 | 522 | −10 | 622 | 327½ |
| Brit.Am. Tobacco | 25p | 12 | 310 | −5 | 391 | 265 |
| Burmah Oil | £1 | 12 | 306 | −8 | 477 | 297½ |
| Trust Hses. Forte | 25p | 12 | 154 | −10 | 178 | 116 |
| London & Midland | 25p | 11 | 106 | +11 | 108 | 51 |
| Star (G.B.) | 50p | 11 | 198 | +3 | 217½ | 100½ |
| Beecham | 25p | 10 | 300 | −8 | 356 | 225 |
| Broken Hill Prop. | A$2 | 10 | 480 | −10 | 654½ | 480 |
| Bryanston Fin. | 25p | 10 | 77 | −3 | 80 | 40 |
| Nat. Westminster | £1 | 10 | 530 | −8 | 630 | 323¾ |
| Thorn Elect. "A" | 25p | 10 | 405 | −3 | 450 | 256 |

*The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1)(e) and reproduced to-day in Stock Exchange dealings.* * *Premium.*



The sharply diverse movements of the two constituents of the F.T.-Actuaries Oil share index reflect good trading statements from BP and, more latterly, the success of the company's "rights" offer. But the results from Shell have proved disappointing by comparison and have pulled the index down by nearly 11 per cent. from its end-July peak for the year. Since the start of the year, the Oil index is up by 25 per cent., compared with a rise of 36½ per cent. *in the 500 share index.*

## Option Report and three-month "Call" rates

OPTION DEALING DATES

| First Dealings | Last Dealings | Last Declaration | For Settlement |
|---|---|---|---|
| Oct. 12 | Oct. 25 | Jan. 13 | Jan. 25 |
| Oct. 26 | Nov. 8 | Jan. 27 | Feb. 8 |
| Nov. 9 | Nov. 22 | Feb. 10 | Feb. 22 |

Business was described as moderate in the Option market. Stocks dealt in for the "call" included Laporte, F. W. Woolworth, Ernest Scragg, Fisons, British Leyland, Slater Walker Warrants, Trafalgar House, *Town and City Properties, Trust* Houses Forte, London and Bombay, Airfix Non-Voting, Associated Leisure, John Waddington "A," Bradford Property, Shell Transport, Ultramar, Western Mining and Rio Tinto-Zinc.

"Puts" were taken out in Thorn Electrical "A," F.M.C. and Rio Tinto-Zinc, while no double options were reported.

Prices in pence unless otherwise stated.

| Industrials | | | | | | Mines | |
|---|---|---|---|---|---|---|---|
| | | G.U.S. "A" | 22 | Reed Intl. | 22 | Mines | |
| | | Guardian | 14 | Slater Walker | 20 | Anglo Amer. | 30 |
| A.P. Cement | 16 | Guest Keen | 20 | Tesco | 5 | Broken Hill Prop | 62 |
| Barclays Bank | 30 | Hawker Sidd. | 20 | Thorn 'A' | 25 | Charter Cons. | 22 |
| Beecham | 19 | Hay's Wharf | 60 | Tube Inv. | 25 | Charterhall Fin | 4 |
| Boots Drug | 12 | House of Fraser | 17 | Unilever | 20 | Cons. Gold | 63 |
| Bowaters | 16 | I.C.I. | 17 | Utd. Drapery | 13 | De Beers Def. | 23 |
| B.A.T. | 20 | "Imps" | 6 | Vickers | 7 | F. S. Geduld | 66 |
| British Leyland | 3 | I.C.L. | 60 | Woolworth | 6 | Great Boulder | 20 |
| British Oxygen | 9 | Int. Stores | 7 | | | Hampton Areas | 13 |
| Burton "A" | 15 | Inveresk Paper | 6 | Property | | Hampton Props | 0 |
| Butlin's | 3 | Jessel Secs. | 25 | Cap Counties | 9 | Kloof | 20 |
| Cadbury's | 7 | Legal&General | 22 | Land Securities | 12 | Lonrho | 10 |
| Cannon St. | 6 | Lloyds Bank | 30 | Peachey | 9 | Loraine | 3 |
| Courtaulds | 10 | "Lofs" | 6 | Star (Gt. Brit) | 20 | Metals Explor. | 26 |
| Debenhams | 14 | "Mams" | 14 | Town & City | 19 | Newmetal | 2 |
| Distillers | 11 | Marks&Spencer | 18 | Town & Comm. | 14 | Poseidon | £2 |
| Dunlop | 13 | Metal Box | 22 | | | Pres. Steyn | 60 |
| EMI | 12 | Midland Bank | 30 | Oils | | Rio-T. Zinc | 16 |
| Fisons | 19 | NatWest Bank | 80 | Brit. Petroleum | 32 | Welkom | 26 |
| G.R.A. Trust | 10 | P. & O. Defd. | 16 | Burmah Oil | 31 | West Areas | 0 |
| Gen. Accident | 12 | Plessey | 10 | Oil Search | 4 | Western M'ng. | 18 |
| Gen. Electric | 9 | Ralli Intl. | 11 | Shell | 22 | Zambia Copper | 7 |
| Glaxo | 30 | Rank Org. "A" | 62 | Ultramar | 24 | | |

## REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| BELFAST | | | Craig Ship £1 | 285 | ...... | Heaton Wm 10p | 3 | ...... |
| B'fast C3½% 1975 | £96 | ...... | Hal/m Sl'gh 10p | 10½ | ...... | Higsons Brew. | 127 | +½ |
| B'fast Rope £1 | 72½ | ...... | Hill (Chas) £ | 130 | ...... | Hindson Rd 20p | 95 | +20 |
| Finlay Wm 5p | 17 | ...... | Kleen-e-ze | 60 | +2½ | Holt, Joseph £1 | 600 | ...... |
| Hughes (B) £1 | 150 | ...... | Lovell's Ship £1 | 60 | ...... | Ingham (G) 10p | 105 | ...... |
| N. Irish Se'l Inv | 41½ | ...... | Lye Tr'ding 10p | 22½ | ...... | I.O.M. S'm. £1 | 125 | ...... |
| | | | Pearce C. H. | 52½ | ...... | Ketton Cem. £1 | 405 | ...... |
| | | | Penarth. Eng. | 63 | ...... | L'pool Grain £1 | 107 | ...... |
| IRISH EXCHANGE | | | Sindall (Wm) | 44½ | ...... | Man. Canal £1 | 654 | ...... |
| Exch. 6% 80/85 | £78.46xd | ...... | Smith (Herm) | 10 | ...... | Mont B. & Son | 80 | ...... |
| Alliance Gas £1 | 100 | ...... | Supra Chem | 65 | ...... | Nichols Vim. | 115 | ...... |
| Cement Road | 861¼ | ...... | Vincent (H.) | 50xd | ...... | Nthn. Gldsmth. | 67½ | ...... |
| Clond'lkn Pr. | 60 | ...... | Watsham's | 30 | ...... | P.M.A. | 96 | ...... |
| Goodbody £1 | 32 | ...... | Wykes (Leic) 10p | 28 | ...... | Peel Mills | 11 | ...... |
| Goulding | 64 | ...... | | | | Sayer Conf 12½p | 37½ | ...... |
| Helton (Hldgs) | 67 | ...... | | | | Swan Lnq 33½p | 11 | ...... |
| Irish Distillers | 104 | ...... | | | | Shiloh Spinn'rs | 13½ | ...... |
| Irish Wire Bds | 73½ | ...... | | | | Taveo'r Rbt 20p | 55 | ...... |
| Jacob | 51 | ...... | NORTHERN EXCHANGE | | | Tyrack (W) 10p | 25¼ | ...... |
| Evan Tr'ds 20p | 115 | ...... | | | | Wood (Ed) | 6¼ | — |
| Silvermines 5p | 19 | ...... | Albany Inv. 20p | 40 | −2 | Wo'dw'd H 12½p | 47½ | — |
| Smith Group | 58 | ...... | Ash Spinning | 25xd | ...... | Yorks Spin 20p | 15 | ...... |
| Sunbeam | 32 | ...... | Belgrave M 20p | 6 | ...... | | | |
| Unidare | 25 | ...... | Bibby & Baron | 38 | ...... | | | |
| MIDLANDS & WESTERN | | | Braime (T & J) | 40 | ...... | Atlas Pl'st 10p | 11 | ...... |
| | | | Bridgw'r Est 50p | 200 | ...... | Brunton (M) | 92 | ...... |
| B'ham Post A. | 43 | ...... | Brit. Nth'p 50p | 35 | ...... | Coltness Ind. | 16 | ...... |
| Castings 10p | 31 | ...... | Bury Ring 20p | 6 | ...... | Craig & Rose £1 | 182 | ...... |
| Clough (A) 5p | 12½ | ...... | Clover Croft | 10 | ...... | Dykes | 137 | ...... |
| Dunn W. E. 10p | 11 | ...... | Cromer Ring £1 | 46 | ...... | Galloway (J) | 8 | ...... |
| Econa (10p) | 33 | ...... | Dyson R.A. 'A' | 40 | ...... | Hill & Wylie | 30 | ...... |
| Evans Frdk 10p | 51½ | ...... | Bilenroad | 38xd | ...... | Lees J J (10p) | 27 | ...... |
| Evered | 36 | ...... | Eng. Nat Inv. £1 | 65½ | +3 | Mackinnon | 77½ | ...... |
| Fordham Hd 5p | 70½ | ...... | Era Ring | 19 | ...... | Morrison & G. | 11¼ | ...... |
| Frost & Reed 50p | 96 | ...... | Gandy | 37 | ...... | Richards (5p) | 19 | ...... |
| Gardiner £1 | 80 | ...... | Gardner (L.) | 600 | +7½ | Scotcros | 33 | ...... |
| Gordan J. 8. | 12½ | ...... | Gaunt (Rld) | 22½ | ...... | United Wire | 56 | ...... |

## NEW "HIGHS" AND "LOWS" FOR 1971

The following securities (number in parentheses) among those quoted in London Closing Prices yesterday attained new "highs" and "lows" for 1971:—

### NEW "HIGHS" (80)

BRITISH FUNDS (7)
Trans. 4pc 72-77 — Treas. 3½pc 79-81
Excheq. 5pc 76-78 — Fnds. 5½pc 82-84
Treas. 3½pc '77-80 — Treas. 5pc 86-89
Funding 5½pc 78-80

INTERNATIONAL BANKS (1)
5pc Stk. 77-82

CORPORATION LOANS (6)
LCC 6½pc 1974 — LCC 5½pc 82-84
Do. 5½pc 77-81 — M'chstr. 5¼pc 74-75
Do. 5pc 80-83 — Middx. 6¼pc 75-77

COMMONWEALTH AND AFRICAN LOANS (1)
S. African 5½pc 74-76

BANKS (2)
Minster Assets — Cattles Hldgs.

BUILDINGS (6)
Bristol Plant — Leyland Paint
Dalenolma — Limmer Hldgs.
Johnson-Richards — Magnat Joinery

CHEMICALS (1)
ICI 5pc Pref.

HOTELS (1)
Howard & Wyndham

DRAPERY AND STORES (4)
Bentalls — Loveys (J.)
Bremner — Stone-Ori

ELECTRICALS (1)
Ward and Goldstone

ENGINEERING (5)
Adwest Grp. — Masson Scott Thrssll.
Crown House — Newman Tonks
Ductile Steels — Paul (W. H.)
GHP Grp. — Utd. Spring
London and Midland

FOODS (2)
Associated Hldgs. — Brit. Sugar

INDUSTRIALS (17)
Arbiter & Weston — LCP Hldgs.
Brayhead — Hairn Williamson
Campari — Nathan (B. and I.)
Consd. Commercial — Pullman (R. and J.)
Coral (J.) — Rycroft (Bradford)
Flavel (S.) — 'W' Ribbons
Hill (W.) Orgn. — Whitecroft
Intnl. Time Recdo. — Windsor (Sptg. Invs.)
Ladbroke

MACHINE TOOLS (1)
Robinsons (G. A.)

MOTORS (5)
Lotos Car — Cornercroft
Automotive Prods. — Hollinodrake
Brown and Alcany

NEWSPAPERS (1)
Assed. Book Pubs.

PAPER AND PRINTING (1)
Oxley Printing Grp.

PROPERTY (5)
Grand Junction — Ldn. City & Westcliff
Hong Kong Land — North British
Invst. Co.

SHOES (2)
K Shoes — Pittard (C. W.)

TRUSTS (3)
Ambrose Inv. — Tokenpate
Rights & Issues Cap.

RUBBERS (1)
Bukit Mertajam

TEAS (3)
Amalgamated — McLeod Russell
Kanan Devan

### NEW "LOWS" (40)

AMERICANS (1)
Sperry Rand

CANADIANS (1)
White Pass

CHEMICALS (1)
Hoechst

ELECTRICALS (1)
Philips' Lamp

INDUSTRIALS (1)
Barlow Rand

SOUTH AFRICANS (3)
Jessel Props. — Union Steel S.A.
S.A. Brews.

TRUSTS (7)
Anglo Walsh — FUGIT
Do. 12½pc Cnv. — London Aust. Inv.
Bay Hall — 7ot Inv. Capital
Border Sibrn. Cnv.

MINES (25)
Doornfontein — Consd. Gold Fields
E. Driefontein — Midd. Witwatersrand
Elsburg — Orand Selection
Kloof Gold — Selection Tst.
Vaal Reefs — Santrust
WRIT — Vogels
West Witwatersrand — Pot. Plst.
Western Areas — Coronation
Harmony — Tanganyika
OFSIT — New Broken Hill
Anglo-American — Consd. Murchison
Joburg. Consd.

## RISES AND FALLS YESTERDAY

| | Up | Down | Same |
|---|---|---|---|
| British Funds | 30 | 2 | 17 |
| Corps. Dom. and Foreign Bonds | 15 | 10 | 108 |
| Industrials | 269 | 435 | 1,023 |
| Fin. and Prop. | 57 | 198 | 283 |
| Oils | 2 | 12 | 16 |
| Plantations | 9 | 10 | 69 |
| Mines | 14 | 60 | 105 |
| Recent Issues | 11 | 14 | 100 |
| Totals | 407 | 741 | 1,726 |

## LATEST WILLS

| | Net |
|---|---|
| Sir William Roberts, of Bangor, North Wales, and Khanewal, West Pakistan, a former member of the Council of the British Cotton Growing Association, left £144,264 gross (duty £82,066) | £127,785 |
| Sir Leslie Cannon, of Dorking, Surrey, former president of the Electrical and Plumbing Trades Union, left £30,769 gross (duty £1,154) | £15,952 |

## PROTEST OVER GLASGOW RATES

Because of property revaluation introduced in June, Glasgow council tenants are being called on to pay an additional £2m. in local rates.

After a protest march to the City Chambers yesterday, a deputation was received by the housing committee. The convenor, Baillie D. Donnelly, said later that the committee had refused the deputation's request to delay the increase for a year. Tenants were told to do their best to clear off arrears by December, and there would be a review of the position at the end of March.

# Tugs' role in dispersal of oil slicks

BY JAMES McDONALD, SHIPPING CORRESPONDENT

THE USEFUL role played by tugs in the dispersal of oil slicks, salvage work and fire-fighting was emphasised in London yesterday by Mr. Anthony Grant, Parliamentary Under Secretary of State for Trade, when he opened the Second International Tug Conference.

In terms of major oil spillages at sea, threatening coastal pollution, "We have found the sea-going tug very suitable for this work and have made arrangements with a number of our tug-owners for vessels to be placed at our disposal when required," said Mr. Grant.

"Our Warren Spring Laboratory has designed special spraying equipment which can be easily rigged on, and removed from, the tugs and the vessels can be ready for action and on their way in a few hours after a spillage is reported. A number of owners have co-operated with us in having their vessels adapted for the permanent carriage in their ballast tanks of bulk supplies of chemical."

## Safety in ports

The current practice of equipping tugs with powerful and effective fire-fighting equipment made a valuable contribution to safety in ports, added the Minister.

The Seventh Assembly of the Inter-Governmental Maritime Consultative Organisation—the United Nations agency dealing with maritime matters—in London last week decided that IMCO should call an international conference on marine pollution in 1973.

The main objective of the conference would be to achieve—by 1975 is possible, but certainly by the end of this decade—the complete elimination of "wilful and intentional pollution of the sea by oil and other noxious substances, and to minimise accidental spills."

The assembly adopted the amendments to the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, concerning the limitation of tank size in an oil tanker—as recommended by the Maritime Safety Committee of IMCO at its meeting in London last March—with certain modifications.

In ordinary tankers with single-hull construction the maximum capacity of a centre tank will normally be equal to the value of the oil outflow recommended of 30,000 to 40,000 cubic metres and of a wing tank, about 15,000 to 20,000 cubic metres.

As recommended by the Maritime Safety Committee, these regulations—which will make tankers over 300,000 deadweight tons about 10 to 15 per cent. more expensive to build in future—will apply to new tankers ordered on or after January 1, 1972. The regulations will formally enter into force 12 months after they have been accepted by two-thirds of the contracting governments of the 1954 Oil Pollution Convention.

But the assembly adopted a recommendation urging those governments to implement the amendments as soon as possible, without awaiting their formal entry into force.

On another topical subject—the routeing of ships—the IMCO assembly unanimously adopted amendments to the International Convention for the Safety of Life at Sea, 1960, which render mandatory the observance of any traffic routeing schemes approved by IMCO, including the British Channel routeing scheme. About 70 of these schemes throughout the world so far have been recommended by IMCO.

Two international conferences are scheduled for 1972 by IMCO. The first—on the revision of the International Regulations for Preventing Collisions at Sea—will be convened in London next October. The second—on the subject of International Container Traffic—will be convened in Geneva in November, 1972.

# Problems for Lloyd's in selling insurance abroad

BY JAMES McDONALD, SHIPPING CORRESPONDENT

NEW METHODS by which Lloyd's—Britain's unlimited liability insurance market—will meet growing complexities in selling insurance overseas were outlined in London last night by Sir Henry Mance, chairman of Lloyd's, in an address to the Insurance Institute of London.

Describing the present situation at Lloyd's Sir Henry said that of the 75 per cent. of its business that originated overseas, 50 per cent. from Canada, 8 per cent. from Australasia, 2.5 per cent. from Africa, 3 per cent. from the Far East and Asia, 8 per cent. from Europe and 2.5 per cent. from South America.

## Growing opposition

He mentioned a general attitude of growing opposition to the provision of services by foreigners, whether in banking, shipping, aviation or insurance. Three main issues were raised by overseas governments: the need to encourage growth of a local insurance industry by protecting it from competition; "consumer protection," or security against alien insurers overseas; and the effect on foreign governments of their balance of payments of what was an invisible import.

Sir Henry said that nevertheless, in the majority of the countries of the world—including above all the U.S.—Lloyd's underwriters could still offer their services under reasonable conditions both as direct insurers and as re-insurers.

Outlining some constructive approaches by Lloyd's towards overcoming regulatory legislation and restrictive attitudes, Sir Henry said Lloyd's was developing a new "depth of explanation" when dealing with foreign Governments and, equally important, with domestic insurers—in close contact with Lloyd's agents, with the Foreign and Commonwealth Office and the Department of Trade and Industry regarding impending legislation and took part in delegations to negotiate on the spot.

A second approach was Lloyd's acceptance of "foreign identity." After this year's elections there would be 115 foreign members of Lloyd's from 16 countries. Another way would be through payment of taxes which Lloyd's would be prepared to do throughout the world, subject to their being given adequate double tax relief and a simple method of local taxation.

New methods of providing the service of insurance were the third development. One example suggested by Sir Henry was the use of "binding authorities," which involved their placing confidence in the local insurance producer to act for underwriters.

# Ceylon PM in meeting with Sir Alec

MRS. Sirimavo Bandaranaike, the Prime Minister of Ceylon, now in London to meet Ministers and officials on the prospects for British aid, yesterday met Sir Alec Douglas-Home, the Foreign Secretary and, earlier, the Prime Minister, Mr. Heath.

No communique was issued after the talks at the Foreign Office, which are expected to continue later in the week.

With Sir Alec during his meeting was Mr. Richard Wood, Minister responsible for British overseas aid, and Mr. Anthony Royle, Parliamentary Under-Secretary.

The wide-ranging talks took in the present political and economic situation in Ceylon, trade between Britain and Ceylon and aid.

## £6,000 GRANT TO OPEN UNIVERSITY

The Medical Research Council has awarded the Open University, on behalf of Dr. N. R. Chalmers, a research grant of £6,048 towards the cost of a study on the development of animal movement during infancy and adolescence. This research over three years will be carried out on baboons and vervets at the Woburn Wild Animal Kingdom.

## AUCTION OF TV COSTUMES

About 200 costumes worn in four major BBC TV drama series, including "The First Churchills," "Portrait of a Lady," and "Vanity Fair," are to be auctioned in London to-morrow. The costumes have been made by the BBC wardrobe department and will be the first it has sold.

## SHARE INFORMATION SERVICE: NOTES

The following Notes relate to Share Information Service:—

Denominations are 25p unless otherwise indicated.

Yields allow for value of declared distributions and rights and are based on middle prices.

Estimated price-earnings ratios and "times covered" are based on corporation tax of 40 per cent. and exclude transitional relief.

* Highs and lows marked thus have been adjusted to allow for rights issues for cash.
† Interim (or quarterly) since increased or resumed.
‡ Interim (or quarterly) since reduced, passed or deferred.
‡‡ Not comparable: net divs. paid.
♦ Figures or report awaited.
†† Banks and Insurances: reserve allocations may preclude calculations of dividend cover.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k After local taxes. m Interim higher than previous total. n Rights issue pending. p*** Pence except where otherwise indicated. q Earnings based on preliminary figures. r Australian currency. s Dividends and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. p/e ratio based on latest available earnings. u Forecast dividend; cover based on previous year's earnings. v Tax-free up to 6s in the £. w Yields allow for currency clause. y Dividend and yield based on merger terms. z Dividends and yield include a special payment: cover does not apply to special payment.

A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Figures based on prospectus or other official estimates for 1971-72. F Figures based on prospectus or other official estimates for 1970. G Assumed dividends and yield after pending scrip and/or rights issue. H Excluding refunds of U.S. Capital Gains Tax. J Figures based on prospectus or other official estimates for 1972. M Figures based on prospectus or other official estimates for 1970-71. N Equivalent rate before additional capital was paid up. P Figures based on prospectus or other official estimates for 1971. Q Yields based on 1967 payments. R Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

§ Price at time of suspension.
¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
Δ Indicates interim dividend, since paid, where none was paid before.
** Convertible loan stock issue in existence.
♦ Merger bid or reorganisation in progress.
♣ Special deposit certificates.
♠ Same interim: reduced final and/or reduced earnings indicated.
! Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
§ Assumes all equity capital ranks for dividends.
‡ Cover does not allow for shares which may also rank for dividend at a future date. No p/e ratio usually provided.
Φ Excluding a final dividend declaration.
✱ Provincial quotations.
‖ No par value.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xrc ex return of capital; xa ex all; xdr ex drawings; xcd ex capital distribution; xpb ex partial bid.

# F.T. SHARE INFORMATION SERVICE

## BRITISH FUNDS

| 1971 High | 1971 Low | Stock | Closing Price £ | + or — | Gr's Y'ld pc In-ter'st £ | Gr's Y'ld pc Redemption £ |
|---|---|---|---|---|---|---|
| | | **"Shorts" (Lives up to Five Years)** | | | | |
| 100$\frac{1}{16}$ | 98$\frac{1}{2}$ | Conv. 6pc 1972 | 100$\frac{1}{2}$ | ...... | 3.97 | 4.32 |
| 99$\frac{1}{16}$ | 96$\frac{1}{8}$ | Gas 4pc 69-72 | 66$\frac{1}{2}$ | + $\frac{1}{32}$ | 4.62 | 4.74 |
| 101$\frac{1}{2}$ | 98$\frac{1}{16}$ | Exchequer 6$\frac{1}{2}$pc. 1972 | 161$\frac{1}{2}$ | ...... | 3.17 | 4.62 |
| 102$\frac{1}{4}$ | 98$\frac{1}{2}$ | Exchequer 6$\frac{3}{4}$pc 1973 | 162$\frac{1}{4}$ | ...... | 6.60 | 4.72 |
| 97$\frac{1}{16}$ | 92$\frac{3}{8}$ | Electric 3pc '68-73 | 97$\frac{1}{32}$ | ...... | 3.08 | 4.89 |
| 97$\frac{1}{16}$ | 92$\frac{3}{8}$ | Transport 3pc '68-73 | 97$\frac{1}{32}$ | ...... | 3.08 | 4.89 |
| 99$\frac{1}{16}$ | 99$\frac{1}{4}$ | Treas. 5$\frac{1}{2}$% 1973 | 22$\frac{1}{2}$ | ...... | 6.26 | 6.28 |
| 99 | 95$\frac{7}{8}$ | Conv. 6$\frac{1}{4}$pc 1974 | 69 | ...... | 6.30 | 6.85 |
| 99$\frac{1}{16}$ | 96$\frac{1}{32}$ | Treas. 6$\frac{3}{4}$% 1974 | 66$\frac{1}{2}$ | — $\frac{1}{16}$ | 5.23 | 5.71 |
| 102$\frac{3}{8}$ | 96$\frac{1}{16}$ | Treasury 6$\frac{1}{2}$pc 1974 | 102$\frac{1}{16}$ | ...... | 6.27 | 6.79 |
| 92$\frac{7}{8}$ | 24$\frac{1}{2}$ | Savings 3pc '65-75 | 22$\frac{1}{2}$ | ...... | 3.95 | 5.26 |
| 100$\frac{1}{16}$ | 98$\frac{1}{16}$ | Treasury 6pc 1975 | 22$\frac{1}{2}$ | — $\frac{1}{16}$ | 6.01 | 6.66 |
| 101$\frac{1}{32}$ | 96$\frac{1}{2}$ | Exch. 6$\frac{1}{4}$pc 1976 | 161$\frac{1}{16}$ | ...... | 6.43 | 3.91 |
| 101$\frac{1}{32}$ | 95$\frac{1}{2}$ | Treasury 6$\frac{1}{2}$pc 1976 | 101$\frac{1}{16}$ | ...... | 6.43 | 6.63 |
| 100 | 94$\frac{3}{4}$ | Victory 4pc 1978 | 27$\frac{1}{4}$ | ...... | 4.11 | 2.23 |
| | | **Five to Fifteen Years** | | | | |
| 98$\frac{1}{2}$ | 97$\frac{1}{4}$ | Funding 4pc '60-90 | 27$\frac{1}{2}$ xd | ...... | 4.10 | 5.04 |
| 101 | 96 | Treas. 6$\frac{1}{2}$% 1977 | 100$\frac{3}{4}$ | ...... | 6.24 | 6.23 |
| 21 | 8 | Electric 3pc 1974-77 | 90$\frac{1}{8}$ | + $\frac{1}{8}$ | 3.31 | 5.03 |
| 92 | 81 | Transport 4pc '72-77 | 92 | + $\frac{1}{4}$ | 4.41 | 5.84 |
| 83$\frac{5}{8}$ | 82$\frac{3}{4}$ | Exchequer 5pc '76-78 | 23$\frac{5}{8}$ | + $\frac{1}{4}$ | 5.36 | 6.28 |
| 99$\frac{1}{8}$ | 75$\frac{5}{8}$ | Electric 4$\frac{1}{2}$pc '74-79 | 99$\frac{1}{8}$ | + $\frac{1}{2}$ | 4.79 | 6.65 |
| 85 | 70$\frac{3}{4}$ | Do. 3$\frac{1}{2}$pc '76-79 | 84$\frac{5}{8}$ xd | + $\frac{1}{8}$ | 4.14 | 6.94 |
| 85$\frac{1}{4}$ | 69$\frac{1}{8}$ | Treasury 5$\frac{1}{2}$pc '77-80 | 85$\frac{1}{4}$ | + $\frac{1}{8}$ | 4.17 | 6.90 |
| 93$\frac{7}{8}$ | 76$\frac{7}{8}$ | Funding 5$\frac{1}{4}$pc '78-80 | 65$\frac{7}{8}$ | + $\frac{1}{8}$ | 5.71 | 6.47 |
| 82$\frac{5}{8}$ | 67$\frac{3}{4}$ | Treasury 3$\frac{1}{2}$pc '79-81 | 99$\frac{5}{8}$ | + $\frac{1}{8}$ | 4.28 | 6.06 |
| 107$\frac{1}{4}$ | 92$\frac{5}{8}$ | Do. 8$\frac{1}{4}$pc '80-82 | 107$\frac{1}{8}$ | ...... | 8.17 | 7.70 |
| 90 | 71 | Funding 5$\frac{1}{2}$pc '82-84 | 90 | + $\frac{1}{4}$ | 6.22 | 6.91 |
| 105$\frac{3}{8}$ | 80$\frac{1}{4}$ | Treasury 8$\frac{1}{2}$pc '84-86 | 105$\frac{3}{8}$ | + $\frac{1}{8}$ | 8.96 | 8.13 |
| | | **Over Fifteen Years** | | | | |
| 89$\frac{7}{8}$ | 78 | Funding 6$\frac{1}{2}$pc '85-87 | 88$\frac{1}{8}$ xd | + $\frac{1}{4}$ | 7.37 | 7.79 |
| 65$\frac{1}{2}$ | 47$\frac{5}{8}$ | Transport 3pc '78-88 | 33$\frac{1}{4}$ | + $\frac{1}{4}$ | 4.81 | 6.89 |
| 74$\frac{1}{4}$ | 61$\frac{1}{4}$ | Treasury 5pc '86-89 | 74$\frac{1}{4}$ xd | + $\frac{1}{2}$ | 9.75 | 7.88 |
| 98$\frac{1}{2}$ | 96 | Treasury 8$\frac{1}{2}$pc 87-90 | 98$\frac{1}{2}$ | + $\frac{1}{2}$ | 8.47 | 8.52 |
| 79 | [illegible] | Funding [illegible] '87-91 | 79 | [illegible] | 7.30 | 7.81 |

### Undated

### INTERNATIONAL BANK

### CORPORATION LOANS

### COMMONWEALTH AND AFRICAN LOANS

### PUBLIC BOARD AND OTHER LOANS

### Corporation Short-dated Bonds

### FOREIGN BONDS & RAILS

### London U.S. Dollar and DM Issues

### AMERICANS

## CANADIANS

| 1971 High | 1971 Low | Stock | Closing Price p | + or — |
|---|---|---|---|---|
| 440 | 270 | Abitibi Paper‡ | 285 | ...... |
| 832 | 700 | Bk. Montreal ($2) | 773 | + 4 |
| £14$\frac{1}{2}$ | £10$\frac{1}{2}$ | Bk. Nova Scot. ($2) | £13$\frac{1}{16}$ | ...... |
| £14$\frac{3}{4}$ | 760 | Bow Valley‡ | £13$\frac{1}{4}$ | + $\frac{5}{8}$ |
| £10$\frac{1}{8}$ | 766 | Brascan‡ | 850 | + 10 |
| 372 | 225 | B.P. Oil & Gas‡ | 265 | — 10 |
| £13$\frac{3}{4}$ | 943$\frac{1}{2}$ | Can. Imp. Bk. ($2) | £11$\frac{1}{16}$ | + $\frac{1}{16}$ |
| 715 | 60 | Can. Pacific ($5) | 310 | + 7 |
| 125 | 83$\frac{3}{4}$ | 4pc N. Com. P.($3) | 102 | + 2 |
| £44 | £37$\frac{1}{2}$ | 4pc Deb. £100 | £49$\frac{3}{4}$ | + $\frac{1}{4}$ |
| 620 | 290 | Cons. Bathurst‡ | 296 | ...... |
| £15$\frac{1}{4}$ | £10 | Gulf Oil Can.‡ | £12$\frac{1}{4}$ | + $\frac{1}{8}$ |
| 155 | 95 | Hawker Sid. Can.‡ | 105 | ...... |
| £21 | £17$\frac{1}{4}$ | Hollinger ($5) | £17$\frac{5}{8}$ | — $\frac{1}{8}$ |
| £10$\frac{1}{8}$ | 738 | Hudson's Bay‡ | 875 | — 2 |
| £24$\frac{1}{8}$ | £18$\frac{1}{2}$ | Hud. B. Oil G. ($2$\frac{1}{2}$) | £21 | ...... |
| £15 | 785 | Imasco | 876 | — 25 |
| £15$\frac{1}{8}$ | 930 | Imperial Oil‡ | £14$\frac{1}{4}$ | — $\frac{1}{8}$ |
| 670 | 528 | Inl. Nat. Gas $1 | 580 | — 5 |
| £22$\frac{3}{4}$ | £13$\frac{1}{4}$ | Int. Nickel‡ | £13$\frac{1}{4}$ | ...... |
| 645 | 450 | Massey Ferg.‡ | 490 | — 10 |
| £17$\frac{7}{8}$ | £13$\frac{1}{2}$ | Pacific Petrol ($1) | £15 | — $\frac{1}{8}$ |
| 80 | 51 | Place Gas ($1) | 62 | + 1 |
| £11 | 630 | Rio Algom‡ | 657 | + 7 |
| £15$\frac{1}{16}$ | £11$\frac{1}{16}$ | Royal Bk. Can. ($2) | £12$\frac{3}{4}$ | ...... |
| 145 | 95 | Steep Rock ($1) | 100 | + 5 |
| £13$\frac{3}{4}$ | 945 | Tor. Dom. Bk. ($2) | £18$\frac{1}{8}$ | + $\frac{5}{8}$ |
| £18$\frac{1}{4}$ | £14$\frac{3}{8}$ | Trans. Can. Pipe ($1) | £16$\frac{5}{8}$ | ...... |
| £13$\frac{1}{2}$ | £10$\frac{5}{8}$ | Westcoast‡ | £11$\frac{5}{8}$ | ...... |
| 600 | 386 | White Pass‡ | 326 | — 15 |

S.E. List Premium 23$\frac{1}{2}$% (based on $2.4867 per £)

## BANKS AND HIRE PURCHASE

†† Banks, etc.

### Hire Purchase, etc.

## BEERS, WINES AND SPIRITS

## BUILDING INDUSTRY, TIMBER & ROADS

## BUILDING INDUSTRY—Continued

## CHEMICALS, PLASTICS, ETC.

## CINEMAS, THEATRES AND TV

## DRAPERY AND STORES

## DRAPERY AND STORES—Continued

## ELECTRICAL AND RADIO

## ENGINEERING AND METAL

## ENGINEERING AND METAL—Gen. Cont.

## FOOD, GROCERIES, ETC.

## HOTELS AND CATERERS

## HOTELS AND CATERERS—Continued

## INDUSTRIALS (Miscel.)

"Recent Issues" and "Rights" Page 37

## INDUSTRIAL (Miscell.)—Continued

| 1971 Low | Stock | Closing Price | + or — | Div. & amount | Times covered | Gross Yield | P/E Ratio |
|---|---|---|---|---|---|---|---|
| 45½ | Ineledon Lamb. | 68 | ...... | 15 | 1.0 | 5.7 | 17.8 |
| 12 | Ind.C.Cl'ns (10p) | 25 | ...... | 6 | 1.6 | 8.4 | 23.7 |
| 45 | Initial Services | 72 | ...... | 15 | 1.4 | 5.2 | 14.1 |
| 28¾ | Inter-City (20p) | 28¾ | ...... | d5 | 1.0 | 3.5 | 29.6 |
| [illegible] | IntComput'rs | 106 | —1 | 11 | [illegible] | 10.4 | 7.2 |
| [illegible] | Int. Time Rec. | 140 | +17 | t20 | 2.4 | 3.6 | 13.3 |
| [illegible] | Jacks (Wm.) | 24½ | +½ | — | — | — | — |
| [illegible] | James (John) | 32 | ...... | d12 | 0.8 | 8.6 | 13.8 |
| [illegible] | James (M.) (10p) | 32 | ...... | d20 | 3.3 | 6.5 | 4.6 |
| [illegible] | J'rdine M(HK$) | 350 | +5 | [illegible] | 2.2 | 1.8 | 25.0 |
| [illegible] | Jentique (5p) | 21 | +½ | 16 | 2.1 | 3.9 | 12.3 |
| [illegible] | Jeres Group | 23 | ...... | 11 | 1.4 | 3.0 | 14.2 |
| [illegible] | Johnson Cl'rs | 62 | ...... | †8 | 0.9 | 3.2 | 32.8 |
| [illegible] | JohnsonMatthey £1 | 287 | —10 | 12 | 1.6 | 4.3 | 15.0 |
| [illegible] | Judge Int. | 73 | +2½ | 13 | ϕ | 4.5 | ϕ |
| [illegible] | Kalamazoo | 173 | —1 | 34 | ϕ | 4.9 | ϕ |
| [illegible] | Kangol 20p | 96 | —2 | 20 | 2.7 | 4.2 | 8.7 |
| [illegible] | Kelsey Ind. 12½p | 36 | ...... | 24 | 2.4 | 3.6 | 7.3 |
| [illegible] | KennedySm20p | 67 | ...... | 120 | 1.9 | 6.0 | 10.9 |
| [illegible] | Kent (Geo.) 50p | 82 | ...... | 3 | 1.8 | 1.8 | 31.6 |
| [illegible] | Kleeman | 315 | ...... | t33 | 2.0 | 2.8 | 12.3 |
| [illegible] | Kode Int. | 26 | ...... | — | — | — | — |
| [illegible] | LRC Int. 10p | 127 | —1 | d40 | 1.2 | 3.1 | 20.6 |
| [illegible] | Lamson Inds. | 81 | ...... | 13 | 1.3 | 4.2 | 13.4 |
| [illegible] | Lancaster Cpts. | 300 | ...... | 23 | 3.4 | 3.7 | 11.8 |
| [illegible] | Laurence Scott 10p | 44 | ...... | d24 | 2.0 | 3.5 | 2.3 |
| [illegible] | Lastex | 32 | +1 | 12 | ϕ | 9.4 | ϕ |
| [illegible] | Lebeff Fobel 10p | 73 | ...... | [illegible] | 1.5 | 2.6 | 27.2 |
| [illegible] | Leslie Harris £1 | 40 | —1 | B— | — | — | — |
| [illegible] | Leeds Assets | 122 | ...... | 23 | 2.2 | 6.2 | 10.1 |
| [illegible] | Lep Group (10p) | 185 | ...... | 30 | ϕ | 1.8 | ϕ |
| 51 | 22½ Walker Hmr 5p | 60 | ...... | 37 | ϕ | 4.2 | ϕ |
| 13 | 12 WardleBr'nd 5p | 18 | —½ | d82 | 1.0 | 6.3 | 18.6 |
| [illegible] | 180 Wedgwood | 198 | ...... | 30 | 2.0 | 3.9 | 12.5 |
| [illegible] | 15 Westbrick 20p | 18 | ...... | — | — | — | — |
| 44½ | 19 W'stmind&City | 41 | +1½ | 5 | 2.3 | 3.1 | 14.5 |
| [illegible] | 90 W'lock M. HK$ | 162 | —8 | 16 | ϕ | 3.8 | ϕ |
| [illegible] | 35 White Child & B. | 44½ | —½ | 66 | 2.9 | 3.5 | 13.6 |
| [illegible] | 73 Whitecroft (50p) | 107½ | +½ | 15 | 1.3 | 7.0 | 11.0 |
| [illegible] | 112 Wilkes (J.) | 147 | ...... | 16 | 2.6 | 2.8 | 14.0 |
| [illegible] | 25 WilkinsMitch'll | 51 | ...... | 10 | 1.1 | 4.8 | 18.1 |
| [illegible] | 35½ Wilkinson 20p | 45 | —1 | 16 | 1.1 | 6.7 | 14.0 |
| [illegible] | 25½ Do. A. N/V 20p | 40 | —2 | 15 | 1.1 | 7.5 | 18.5 |
| [illegible] | 90 Wilkinson'sT'pt | 190 | ...... | d25 | 3.6 | 3.3 | 9.5 |
| [illegible] | 33 Williams (J.) | 40 | ...... | 10 | 2.6 | 6.2 | 6.2 |
| [illegible] | 30 Wills (George) | 66 | ...... | 11 | 2.0 | 5.3 | 8.4 |
| [illegible] | 37 Windsors (5p) | 103 | +0 | d90 | 2.3 | 4.4 | 10.2 |
| [illegible] | 16 Winn Inds. (20p) | 33 | ...... | 8 | 2.7 | 4.8 | 7.7 |
| [illegible] | 31 Wire & Pl'stic 10p | 38 | ...... | d30 | 1.6 | 8.0 | 7.6 |
| [illegible] | 25 Witter (Thomas) | 49 | ...... | 15 | 1.0 | 7.7 | 19.5 |
| [illegible] | 152 Wolstenholme | 241 | ...... | d87 | 8.2 | 2.8 | 17.0 |
| 10 | 5 Wood & Sons 5p | 8 | ...... | 10 | 2.8 | 6.6 | 7.1 |
| [illegible] | 5½ Yatton Furn 5p | 7¼ | ...... | 9 | 1.7 | 6.2 | 8.5 |
| [illegible] | 10½ Zetters Pools 5p | 30 | —1 | d20 | 1.9 | 3.3 | 16.9 |

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £250 per annum for each security.

## ††INSURANCE

| 1971 High | 1971 Low | Stock | Closing Price |
|---|---|---|---|
| 502 | 357½ | Bowring (C.T.) | 48[illegible] |
| 102 | 55¾ | BrentnallB. 10p | 10[illegible] |
| 288 | 190 | Britannic 5p | 21[illegible] |
| 482 | 320 | Comm. Union | 45[illegible] |
| 487 | 271¼ | Eagle Star (50p) | 43[illegible] |
| 330 | 200 | Economic | 29[illegible] |
| 360 | 215 | Equity & Law 5p | 28[illegible] |
| 302 | 210 | Excess | 24[illegible] |
| 96 | 62½ | Fenchurch (10p) | 8[illegible] |
| 95 | 61½ | Do. "A" (10p) | 8[illegible] |
| 197 | 116 | Gen. Accident | 16[illegible] |
| 288 | 167 | Guardian Royal | 25[illegible] |
| 132 | 85 | Hammond (L.) | 9[illegible] |
| 232 | 111 | Heath (C.E.) 20p | 20[illegible] |
| 180 | 78 | Howden (A.) 10p | 12[illegible] |
| 372 | 251 | Legal & Gener 5p | 29[illegible] |
| 427 | 297½ | Leslie & Godwin | 36[illegible] |
| 165 | 113¼ | Lon. & Man. 5p | 14[illegible] |
| 365 | 240 | M'tthew Wr 20p | 24[illegible] |
| 240½ | 181½ | Mercury 50p | 20[illegible] |
| 365 | 213¾ | Minet Hldgs 20p | 32[illegible] |
| 670 | 400 | Orion £1 | 64[illegible] |
| 310 | 226¼ | Pearl 5p | 27[illegible] |
| 290 | 172½ | Phoenix | 23[illegible] |
| 312 | 190 | Price Forbes | 22[illegible] |
| 186 | 125 | Provident "A" | 17[illegible] |
| 175 | 122½ | Do. "B" | 17[illegible] |
| 194 | 143 | Prudential (5p) | 16[illegible] |
| 188 | 147 | Refuge "B" 5p | 17[illegible] |
| 76 | 30 | Reinsurance | 7[illegible] |
| 434 | 265 | Royal | 32[illegible] |

## MACHINE TOOLS

## MOTOR, AIRCRAFT TRADES

### Motors and Cycles

### Commercial Vehicles

### Aircraft

### Components

### Garages and Distributors

## NEWSPAPERS, PUBLISHERS

## PAPER, PRINTING, ADVERTISING

## PROPERTY

## PROPERTY—Continued

## SHIPBUILDERS, REPAIRERS

## SHIPPING

## SHOES AND LEATHER

## SOUTH AFRICANS

## STEELS

## TEXTILES—GENERAL

## TEXTILES—WOOL

## TOBACCOS

## TRUSTS, FINANCE, LAND

### Investment Trusts

### Finance, Land, etc.

## OILS

## UTILITIES

## RUBBERS—MALAYSIAN

## RUBBERS—MISCELLANEOUS

## SISAL

## TEAS

### India and Pakistan

## TEAS—Continued

### India and Pakistan (cont.)

### Ceylon

## MINES—CENTRAL RAND

## EASTERN RAND

## FAR WEST RAND

## O.F.S.

## FINANCE

## DIAMOND

## PLATINUM

## CENTRAL AFRICAN

## AUSTRALIANS

## TIN—EASTERN

## TIN—NIGERIAN

| 1971 High | 1971 Low | Stock | Price | + or — | Div. | Cvr. | Gr'ss Yield |
|---|---|---|---|---|---|---|---|
| [illegible] | [illegible] | Ex Lands (10p) | 7 | ...... | 7½ | 2.3 | 10.7 |
| 6½ | 4½ | Gold & Base (12½p) | 6½ | ...... | — | — | — |
| [illegible] | [illegible] | Jantar (12½p) | 5½ | —½ | — | — | — |

## TIN—MISCELLANEOUS

| 1971 High | 1971 Low | Stock | Price | + or — | Div. | Cvr. | Gr'ss Yield |
|---|---|---|---|---|---|---|---|
| [illegible] | 170 | Beralt Tin | 195 | ...... | 84 | 2.0 | † |
| 6⅞ | 4½ | Fabulosa (US$1) | 4½ | ...... | — | — | — |
| 340 | 136 | Geevor | 135 | ...... | 60 | 1.5 | 11.1 |
| 128 | 101 | London Tin (20p) | 120 | —1 | 42 | 1.1 | 7.0 |
| 89½ | 52 | St. Piran | 62 | ...... | 20 | 1.4 | 9.6 |

## COPPER

| 1971 High | 1971 Low | Stock | Price | + or — | Div. | Cvr. | Gr'ss Yield |
|---|---|---|---|---|---|---|---|
| 111 | 74 | Esperanza (12½p) | 81 | ...... | 40 | 1.9 | 8.2 |
| 13½ | 10 | Indian (10p) | 11 | ...... | 11.1 | 3.0 | 10.1 |
| 298 | 204 | Messina (R0.50) | 204 | ...... | 190 | 2.0 | [illegible] |

## MISCELLANEOUS

| 1971 High | 1971 Low | Stock | Price | + or — | Div. | Cvr. | Gr'ss Yield |
|---|---|---|---|---|---|---|---|
| [illegible] | 5 | Burma Mine (17½p) | 6¾ | ...... | — | — | — |
| [illegible] | 17½ | Cent. Prov. Mn. (12½p) | 25½ | +½ | a12 | ϕ | 10.8 |
| [illegible] | [illegible] | Charterhall (5p) | 11½ | ...... | — | — | — |
| [illegible] | [illegible] | Cons. Murch (10c) | 205 | —10 | 180c | 2.1 | [illegible] |
| 285½ | [illegible] | G. F. Mg. Ind. Db. | 285½ | ...... | 7½ | 59.0 | 9.4 |
| [illegible] | 245 | Northgate (C$1) | 290 | —20 | 50c | 2.2 | 5.7 |
| [illegible] | 156 | R.T.Z. | 166 | —7 | 24 | 1.8 | 5.1 |
| [illegible] | 57 | Sabina Inds. (C$1) | 67 | +2 | — | — | — |

For Notes, see Stock Exchange Dealings.

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# THE LEX COLUMN

Index fell 4.8 to 402.6

## Ratings in the warrant market

With provisos around the very plausibility of a bid for Trust Houses Forte, with a whole spectrum of values depending on the terms, and finally, with the warrant market in despondency, the THF warrants are as difficult a security to evaluate as could be found. As far as the risks inherent in any bid terms are concerned, a cash bid (on the Hoechst/BJN lines) or a part loan stock offer still appear the most likely hazards: otherwise, there is at least comfort in the precedent of the Lombard Banking convertible, whose holders managed to eke a 5 per cent. higher offer out of Natwest, on the grounds of the equity inherent in a long conversion period.

But the recent deterioration in ratings in the warrant market has cast some doubts on the upward potential supposing all went well for the THF warrant holders. The Hill Samuel warrants provide an extreme illustration. Over the past six trading days, the HS warrants at £14½ last night have fallen 32 per cent. against a negligible fall in the ordinary. The result is that a gearing ratio of well over four combines with conversion terms which would be just about as attractive as those of the THF warrants were THF ordinary standing at 180p (against 154p at present). It is fortunate, in fact, that the HS warrants look anomalously cheap.

### Delta/MEM

The Board of Midland Electric Manufacturing may not be disposed to welcome the bid from Delta Metal—equity/convertible in a 53:47 ratio, worth 104½p against MEM's price of 94p, up 3p last night. It has a certain amount of ammunition, too, in Delta's cyclical record, its low growth markets and the recent sluggishness in orders for heavy semi-fabricated copper products—with buyers tending to hold off while the copper price was slipping.

On the other hand, MEM has exhibited a certain degree of cyclicity itself, and what growth it has been able to achieve in recent years seems adequately reflected in an exit p/e of around 18.7 prospective against 12½ for Delta itself. MEM, therefore, will have to dig up either some juicy prospects or a counterbidder to put the Delta approach out of court. As for Delta itself, a bid adding 18 per cent. to the equity (ultimately) and 12 per cent. to earnings is justified by a move closer to the consumer, and into products with a higher added value. This, like Glynwed/Allied Ironfounders, may be another indication of current earnings being sacrificed for better prospects in the future.

See also Page 27

### Central Mfg.

If anything, the 1970-71 results from Central Manufacturing and Trading are somewhat less encouraging than the April interim report implied. Profits may have risen from £1.1m. to £1.5m. before tax but virtually all of the increase is due to acquisitions; the acquisitional growth was as expected, as was the rise in earnings from 3.4p to 5.1p fully diluted—hence, one supposes, the slight easing in the shares which closed 1p lower at 58½p last night.

That, then, could be the general view of CMT, leading to a low-grade p/e of 11.3. But it does not look like the right view, either on performance or prospects. Over the past seven years, CMT has traded its basic merchanting, distribution and processing skills—traditionally in rubber and industrial products, but more recently in steel stockholding, drop forgings, light engineering etc.—into a compound earnings per share growth rate of over 20 per cent. Coming to last year, its performance in hitting the £1.5m. target was in fact impressive, considering that steel stockholding and metal processing (a near disaster area for some) accounted for nearly 40 per cent. of trading profits with margins only 1.9 points lower at 6.7 per cent.

Coming to the current year, CMT is unlikely to hold out great hopes for the first half, but it is banking on an uplift in the second six months—when, inter alia, it should have the benefits of major capital investment on the steel scrap side beginning to show through. With other companies, this might sound like pie in the sky; with CMT, however, past performance must add credibility to its views on prospects.

See also Page 28

### Pontin's

Sticking to its peculiar habit of reporting, effectively, a year in arrears—1970-71 figures reflect the 1970 season, and the 1971 season has now just ended—Pontin's is in line with the expectation at £2.28m. pre-tax, up 11 per cent. The crucial point, of course, is what has happened since, and the word here is of a further profits increase for the 1971 season in spite of the problems caused by the postal strike in the middle of the booking season. And there is more volume growth in the pipeline: the new U.K. self-catering villages at Prestatyn and Hemsby were only open for the latter part of the past season, and then not at full capacity, so 1972 U.K. capacity should be about a fifth greater than in 1970. On top of this comes the established Seacroft camp at Hemsby, which has just been bought; and developments at Pontinental where expansion is planned in Torremolinos, Sardinia and Majorca.

Of course, Pontin's has been threatening to become a growth stock for some time, without ever quite making the grade; at 29½p the shares are selling at 15 times 1970-71 earnings of 1.95p a share, fully diluted, and still require some assurance about margins and capital spending. In the past couple of seasons profits appear to have slipped behind the growth rate of turnover and capital employed. In contrast to Butlin's, however, the group has been skilful in isolating growth areas—self-catering camps in the U.K., Mediterranean villages overseas—and there could yet be a bunching of profits growth over the next two or three years.

See also Page 28

# Lombard

## Germany can only speak for itself

BY C. GORDON TETHER

THE Germans are, of course, entitled to express their views on the way in which the international monetary crisis should be handled. But they surely ought to give a lot more thought to the manner in which they are themselves behaving and to the wider issues involved before they start accusing other countries right and left of not playing the game in the floating rates business.

To begin with, one would assume from the vehemence with which Professor Schiller, their Minister for Economic Affairs, has been denouncing other countries for having resorted to exchange controls, official intervention in the currency markets and similar devices to prevent their currencies floating higher than they consider desirable, that Germany has been behaving in altogether irreproachable fashion in this respect. Yet in reality the Germans have been engaging in much the same practices.

### Rules vacuum

After all, they have imposed restrictions on the interest that banks may pay on foreign funds as well as on certain forms of international financing activity—measures that are clearly disguised forms of exchange control. And recently they were reported to have taken an additional $1,000m. into their external reserves with a view to preventing the appreciation of the D-mark [illegible] when no agreement has been reached on the rules that should govern a new game, individual players are hardly justified in complaining if the others on the field do not feel called upon to abide by their ideas of what form the rules should take.

Germany is so anxious, it would seem, to do everything she can to indulge the Americans that she sees no objection to falling in with the U.S. suggestion that market forces should be given the freest play to determine a new pattern of parity rates. Other people can, with every justification, feel very differently.

To start with, as everyone knows, exchange markets are at present glutted with dollars that flowed from the U.S. earlier in the year and are now trapped there by Nixon's August 15 measures.

### Final arbiter

For another, to agree that even the present basic relationship between supply and demand for dollars was to be accepted as a final arbiter of the new world parities system would be to concede that the Americans had a right to count upon their existing payments policies being indulged by the rest of the world for ever and ever. It would mean, in other words, that other countries had tacitly consented to establish whatever exchange relationships were necessary to enable the U.S. to go on buying up their assets at a rate of upwards of $5,000m. per annum.

This may seem all right to the Germans. Alternatively, they may consider it vitally important to keep in with Washington for other reasons—connected, for example, with the fear that the U.S. may act on its threat to withdraw its troops from Europe if the plan to keep dollar imperialism on course is frustrated. In which case they may be ready to stomach all the distasteful features of present American policies without a murmur. But they can hardly expect countries with other ideas about the way in which to deal with U.S. bullying to be ready to adopt a similarly humble posture.

### Disruptive

Finally, the German contention that countries which are ready to subscribe to their ideas of the manner in which the floating game should be conducted are playing "dirty" relies on ideological considerations of a highly controversial kind. Since nothing but good, they say, can come from allowing market forces maximum free play, any interference with them must automatically be harmful.

One would have thought that if recent experiences teach us anything at all, it is that this is one of those good things of which one can have too much. We can all now clearly see that freedom for vast amounts of hot money to rush madly from country to country can be most disruptive and this being so, the most sensible thing for hot gospellers of the free international capital market to do for the time being is to maintain a discreet silence.

## Horizon tells tour rivals to 'face the facts'

BY ARTHUR SANDLES

MR. VLADIMIR RAITZ, owner of Horizon Holidays, which has told Continental hoteliers in future it will not share accommodation with Clarksons, Thomson-Skytours, Cosmos, Blue Sky and Sunair/Lunn Poly, last night hit back at rivals who accused him of "arrogance."

He said that tour operators who suggested he was being arrogant "should learn to face the facts. Instead of hurling petulant abuse, they should take note of the new mood within and without the travel industry."

### "Certain standard"

Mr. Raitz recently wrote to some 400 hoteliers telling them that in future Horizon would not send customers to hotels who cater for other named U.K. operators. This would allow Horizon "to offer a certain standard of service for clients and the company."

There was an immediate response from other operators who suggested that Horizon did not want to offer the same hotels in future because it charged more to its customers than they did.

Mr. Raitz argues that this is not the case. "Hoteliers are fed up with being forced to compromise on standards; travel agents are fed up with the back-wash of bad Press publicity which inevitably results. And, more than ever before, holidaymakers themselves have a right to expect from tour operators more than just lip service and colourful brochures."

He argued that other companies indulged in exclusivity policies and he was taking a basic hotel-negotiating principle to its logical conclusion.

"After-sales arbitration schemes are all very well. But we are concerned with prevention rather than hindsight cures, improving standards rather than compromising on them." This is an obvious crack at market leader Clarksons which is campaigning for an industry-wide arbitration system.

The argument should be seen against a background of debate over tour-operating margins. Such companies as Clarksons, Thomson, Sunair and Cosmos are involved in a fierce price war.

Mr. Raitz said: "Tour operators who continue to expound the maxim that paying a hotelier a little more is not the way to improve standards, are completely out of touch. The feelings of the vast majority of people to-day, especially hoteliers, prove that marginal costings are beginning to endanger standards."

## [illegible] for many years

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

HOME ORDERS for British-built machine tools fell to their lowest level for many years in July, according to provisional figures released yesterday.

Net new orders from the home market were worth only £3.7m. during the month, compared with £6.2m. in June and figures as high as £11m. at this time last year.

If the industry's order book continued on the path suggested by figures released so far, it would sell only £70m. worth of machine tools in Britain this year, some £40m. less than in 1970 and over £60m. less than in 1969.

The feeling within the industry is that this year will be a very bad one, even if the further reflationary measures brought in by the Chancellor in July lead to a fairly substantial improvement soon in U.K. orders. Only modest increases have been indicated.

At £6.5m., new orders for export received in July rose slightly above the June figure of £5.7m. But it is still below last year's July level of £6.9m.

The present indications are that exports are running at an annual rate of about £72m., well down on last year's final figure of £86.7m. Fortunately, there is often an improvement in ordering during the late summer and early autumn.

Deliveries of machine tools to the U.K. market were running at £7.2m. in July, and those to overseas buyers at £6.2m. The total delivery figure for the month of £13.5m. is a very low one.

With a total of £117.8m. of orders outstanding at the end of July, the machine tool industry's order book was thinner than at any comparable time of the year since 1967.

## Malta claims Mintoff set for new round of London talks

BY OUR OWN CORRESPONDENT

VALLETTA, Oct. 25.

MR. DOM Mintoff, the Maltese Prime Minister, will fly to London next week for another round of high level talks on future defence arrangements on the island, according to Press reports here.

It is believed that he intends to start tackling the financial aspects of a possible agreement with Britain while top civil servants discuss the military angles and the number of Maltese who must remain in the services' employ irrespective of the current run-down.

### Denial

Our Foreign Staff writes:—The Foreign Office denied all knowledge last night that Mr. Mintoff might be coming to London. A spokesman said Sir Alec Douglas-Home, the Foreign Secretary, may be in Rome next week, and that Mr Mintoff would hardly come when he was out of the country.

The news that Mr. Mintoff will be going to Britain was announced by the General Workers Union morning newspaper to-day.

The reports added that Mr. Mintoff will also be going to Italy soon to finalise new financial and military arrangements that were discussed last week with the Italian Deputy Prime Minister, Prof. Francesco de Martino. The Italian Foreign Minister, Sig. Aldo Moro, arrives on a short official visit in two weeks time.

The Italians have left here "fully cognizant" of the reasons behind Mr. Mintoff's moves and relations are now regarded as very strong between the two countries.

Mr. Mintoff is also expected to visit Germany for more talks with the Chancellor, Herr Willy Bandt, and the possibility of a meeting with the French President, M. Pompidou, was not discounted by official sources this morning.

Libya's Deputy Premier, Major Abdusallam Jalloud, flew in for a surprise meeting with the Maltese Premier to-night while newspapers here continue to speculate on how friendly Dom Mintoff and President Khedaffi really are now.

### Annoyed

Publicly, Government circles have given no suggestion that Major Jalloud may be here to bridge a possible gap between the two leaders. In fact, official sources to-night denied there are any differences.

Khedaffi, however, could have been annoyed by the Communist build-up of aid to Malta. In the last two weeks the Hungarians, the Poles and the Romanians have held meetings with Mr. Mintoff to discuss "projects which could be of help to Malta."

The Poles discussed the "pacification of the Mediterranean Sea" (a subject President Khedaffi claims is his monopoly), and the two countries are to exchange ambassadors.

Continued from Page 1

## TUC in de-registration row

Jones, of the TGWU, for not ignoring his rules and de-registering, especially after he had led the anti-registration lobby at the recent Congress.

Mr. Jones and Mr. Bill Hogarth of the National Union of Seamen argued the necessity for a closed shop to organise seamen, and all present argued over whether the unions to be called in should attend one joint meeting, be given a hearing of only ten minutes, or—which was eventually decided—be given substantially longer if necessary.

It was significant, however, that, despite the bitterness, Mr. Scanlon (joined by Mr. Richard Briginshaw, of Natsopa, at the start of the meeting) alone pushed the extreme militant line with the TUC's other leading left-winger, Mr. Jones, staying relatively quiet.

Few union leaders want the present policy to end with unions being suspended from the TUC—which would lead to next year's Congress considering whether to expel them. Very few unions have been expelled in recent years. The main effect of expulsion on an individual union, apart from its not being party to TUC affairs, is that it would lose the protection of the TUC's Bridlington inter-union rules and would therefore be fair game for any union to try to poach its members.

The committee yesterday also approved the final draft of the TUC's code of practice which it has produced in answer to the Government's Code. The TUC code covers a multitude of matters including union recognition, "status quo" arrangements, safety measures and forms of "industrial democracy."

Meanwhile the row over staff associations trying to gain admission on to the new union register—putting them at an advantage over those TUC unions which stay off in line with TUC policy—continued to build up yesterday. The draughtsmen's section of the AUEW yesterday wrote to the Registrar of Trade Unions protesting at the registration application made by the British Insulated Callender's Cables staff association.

## Britten-Norman carries on production

By Michael Donne

BRITTEN-NORMAN, the Isle of Wight aircraft manufacturer, is continuing business while the Receiver, Mr. Maurice Eckman, of Price Waterhouse, continues his investigation into the company's affairs.

This became clear yesterday, the first full day of business after the announcement on Friday afternoon that the joint managing directors, Mr. Desmond Norman and Mr. John Britten, had called for a receiver following a decision by Exporters' Refinance Corporation to recall loans of up to £2.8m.

Mr. Eckman, who began his task over the week-end, is now seeking to establish the basic facts of the company's business, prior to seeking ways and means of keeping the company alive. It is hoped that he may make a statement within the next few days.

Mr. Eckman is to visit the factory at Bembridge again to-day.

In the meantime, a spokesman for the workers' side of the company's productivity council said that while they had no information about the future "at least we have had an unofficial assurance, which satisfies us, that we shall get our wages at the end of the week, whatever the future holds."

## V and G: Department criticised by Counsel

By John Hunt

SOME OF the officials of the Department of Trade and Industry were negligent in their handling of the Vehicle and General Insurance Company, Sir Elwyn Jones, Q.C., representing shareholders and policyholders, told the V and G Tribunal yesterday.

He alleged that thousands of motorists holding policies with the company could have been largely saved from their "miserable predicament" by the appropriate degree of appreciation, foresight and fortitude on the part of the Government officials entrusted with their protection.

### Sea of semantics

Officers of the Insurance and Companies Branch of the DTI became lost in a sea of semantics, he alleged. In his submission Section 14 (1) of the 1958 Insurance Companies Act enabled the branch, if unsatisfied with a company's solvency margin, to require the company to give any form of assistance prescribed by the branch.

He told the tribunal the conclusion seemed inevitable that "we are in an area of practical reluctance and not inattention."

In that case, he continued, as Under-Secretary Mr. Christopher Jardine was primarily to blame after he had replaced Mr. Stacy in 1964, and Mr. Cyril Homewood, the Assistant Secretary, must share that blame.

Sir Elwyn submitted in respect of Mr. Jardine and Mr. Homewood that, by excluding from their effective armoury the only statutory provision by whose use the truth could have become known, they were guilty of negligence.

Failure to give serious consideration to the break-up basis for a valuation of the assets of V and G represented negligence all along the line, he declared.

Sir Elwyn alleged that it affected Mr. Jardine at the top, through Mr. Homewood down to Mr Norman Nail, chief executive officer at the earlier period, and the equivalent officers at the later stage.

Report, Page 31

## Air France in airbus riddle

BY ROBERT MAUTHNER

PARIS, Oct. 25.

DOUBTS about the future of the Franco-German-Dutch airbus, which have been raised by rumours emanating from Bonn that West Germany may pull out of the whole project, have found a certain echo in France where the national airline, Air France, is said to be hesitating about buying the aircraft.

Although Air France has categorically denied newspaper reports that the planned expansion of it's 20-strong fleet of Boeing 727-200s implies that it will not buy the airbus, it is clear that the final decision to place orders has not yet been taken.

### Financial talks

The Air France Board is due to meet within the next few days to discuss the whole question, after the conclusion of negotiations on financial terms between the company and Aerospatiale, the French partner in the European consortium which is [illegible]

Hesitation was sparked off by a communiqué issued by the metallurgical and transport branch of the Communist-led CGT, France's most powerful trade union, which says that the choice between the airbus and the Boeing 727-200 was the subject of "the greatest indecision" on the part of Air France.

The CGT appeals to the Government to provide Air France with sufficient funds to purchase the aircraft in order to safeguard the future of the French aircraft industry.

### Price position

It is quite on the cards, of course, that the CGT, whose declarations are almost always politically motivated, is deliberately exaggerating Air France's "indecision" which could merely reflect a prudent negotiating position on the price of the aircraft. On the Government's side, at any rate, there have been no indications that the required financial backing will not be forthcoming.

Michael Donne writes: Opposition by some in West Germany to the A-300B air-bus stems from its high cost—£180m. in the launching phase, with another £300m. for production—with the fear that these sums could escalate almost into "open ended" commitments.

## Cunard sells Baxter Hoare holding back

By James McDonald

CUNARD Steam-Ship Company [illegible] sold back by mutual agreement to the original holders, Mr. A. D. Saphir and his family, the 75 per cent. holding in Baxter, Hoare and Company it acquired in March, 1970.

Mr. Saphir is chairman of Baxter, Hoare and Company, international shipping, forwarding and air freight agents, and he and his family already hold the remaining 25 per cent. of the equity of the company.

Baxter Hoare was acquired by the previous Cunard management before Trafalgar House obtained control of Cunard earlier this year. The purchase price of the 75 per cent. interest was believed to be in the region of £100,000 and it is understood that the Saphir family has repurchased control for about this figure.

# Weather

U.K. TO-DAY

It will be cloudy but [illegible] dry in W. Scotland and [illegible]land. The rest of Scotland [illegible] of England and N. Wales [illegible] dry with sunny spells, but [illegible] fog and frost will occur at [illegible] S. Wales and S.W. England [illegible] be mostly cloudy, but clear [illegible]tervals are expected later. [illegible] be rather warm generally.

London, E. Anglia, S.E., [illegible] and E. England, E. Mid[illegible]
Dry, sunny spells. Local [illegible] and fog at night. Wind E[illegible] Max 15C (59F).

Channel Is., S.W. Eng[illegible] S. Wales
Mostly cloudy, local [illegible] clear intervals later. Win[illegible] Max 15C (59F).

W. Midlands, N. Wales, and Cent. N. England, L[illegible] I. of Man, S.W. Scotla[illegible]
Dry, sunny spells. Local [illegible] and fog at night. Max 14C [illegible]

N.E. England, Borders, E. Scotland, Cent. Highl[illegible] Edinburgh, Glasgow, Dundee
Dry, sunny spells. Local [illegible] and fog at night. Max 12C [illegible]

Argyll, N.W. Scotland, N. Ir[illegible]
Mostly cloudy, mainly [illegible] Wind S. to SE. moderate. 13C (55F).

Caithness, Orkney, Shetl[illegible]
Dry, sunny spells. Wi[illegible] moderate. Max 11C (52F)

Outlook: Little change. [illegible]ing-up: London 18.16, C[illegible] 18.22, Belfast 18.31.

BUSINESS CENTRES

| | Y'day Mid-day | °C | °F | | |
|---|---|---|---|---|---|
| Amsrdam | C | 12 | 54 | Madrid | F |
| Bahrain | S | 35 | 95 | Manchstr | C |
| Beirut | F | 23 | 73 | Melbourne | C |
| Belfast | S | 12 | 54 | Milan | S |
| Belgrade | S | 22 | 72 | Montreal | R |
| Berlin | D | 12 | 54 | Moscow | C |
| Birmingham | C | 11 | 52 | Munich | S |
| Bristol | C | 13 | 55 | Newcastle | C |
| Brussels | C | 12 | 54 | New York | S |
| Budapest | F | 12 | 54 | Oslo | S |
| B. Aires | S | 21 | 70 | Paris | S |
| Cairo | S | 22 | 72 | Prague | S |
| Cardiff | F | 12 | 54 | Reykjavik | C |
| Cologne | Fg. | 11 | 52 | Rio de J'o | S |
| Copenhgn | F | 12 | 54 | Rome | S |
| Dublin | C | 12 | 54 | Singapore | S |
| Edinburgh | S | 9 | 48 | Stockholm | S |
| Frankfurt | S | 10 | 50 | Strasbourg | S |
| Geneva | F | 18 | 64 | Sydney | F |
| Glasgow | C | 11 | 52 | Tehran | [illegible] |
| Helsinki | C | 3 | 37 | Tel Aviv | [illegible] |
| H. Kong | C | 25 | 77 | Tokyo | [illegible] |
| Jo'burg | S | 22 | 72 | Vienna | [illegible] |
| Lisbon | S | 14 | 57 | Warsaw | C |
| London | S | 17 | 63 | | |

HOLIDAY RESORTS

| | Y'day Mid-day | °C | °F | | |
|---|---|---|---|---|---|
| Ajaccio | S | 23 | 73 | I. of Man | S |
| Alexandria | F | 24 | 75 | Istanbul | S |
| Algiers | C | 28 | 82 | Jersey | C |
| Athens | S | 21 | 70 | Las Palmas | S |
| Barcelona | S | 20 | 68 | Majorca | F |
| Biarritz | S | 24 | 75 | Malaga | S |
| Blackpool | C | 13 | 55 | Malta | S |
| Bordeaux | S | 20 | 68 | Nairobi | S |
| Boulogne | F | 15 | 59 | Naples | S |
| Casablnca | C | 24 | 75 | Nice | S |
| Cape Twn | S | 24 | 75 | Nicosia | S |
| Corfu | S | 22 | 72 | Oporto | S |
| Dubrovnik | S | 24 | 75 | Rhodes | S |
| Faro | C | 22 | 72 | Salzburg | F |
| Florence | S | 16 | 61 | St. Moritz | S |
| Funchal | S | 22 | 72 | Tangier | F |
| Gibraltar | C | 21 | 70 | Tenerife | S |
| Guernsey | C | 13 | 55 | Tunis | S |
| Innsbruck | S | 17 | 63 | Valencia | F |
| Inverness | S | 9 | 48 | Venice | Fg. |

S—Sunny. F—Fair. C—Cloudy. R—R[illegible] D—Drizzle. Fg.—Fog.